The world-wide news agencies: development organization, competition, markets and product. A study of Agence France Presse, Associated Press, Reuters and United Press, to 1975

Thesis

THE WORLD-WIDE NEWS AGENCIES:

DEVELOPMENT, ORGANIZATION,

COMPETITION, MARKETS AND PRODUCT.

A Study of

Agence France Presse,

Associated Press,

Reuters and United Press,

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by

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SUMMARY OF THESIS

The thesis argues that in their development, organization and news services, the major western-based global news agencies have responded and continue to respond primarily to the requirements of western markets. In particular, their domestic markets are shown to be especially important to them, and much of their early development is explained by their struggle to secure monopolistic or oligopolistic control of these markets. The struggle to achieve security in the domestic markets greatly tempered early international competition between the agencies in a way that still has consequences for their relative market positions in certain world regions, and which has hindered their penetration of one another's domestic markets. Nevertheless, growing international competition, general difficulties in traditional domestic newspaper markets and the evolution of new client requirements have combined to stimulate considerable market diversification in recent decades, both inside and outside media client groups. Within their traditional overseas markets, the global agencies, in their organization of news-gathering and news-distribution, have made considerable use of the national news agencies. The global agencies have stimulated the development of many such agencies, entering into relationships of unequal exchange with them, while only marginally threatened by the attempts of some national agencies to upset the dominant market

position of their global partners. The thesis provides evidence of contemporary agency organization, news-gathering practices and news-service content in order to support the argument that there continues to exist a structural imbalance in agency operations which favours western market interests, and to further explore the underlying significance of their organizational priorities.

Preface

This study was mainly written up between the winters of 1974-5 and 1975-6 on the basis of research undertaken for the most part between the summers of 1971 and 1975. The study was funded by a grant from the Leverhulme Trust in response to the application of Jeremy Tunstall and Dr. Ken Thompson of the Open University. I was appointed Research Officer for the duration of the project. Most of the work for the following report and all the responsibility is mine, but I am indebted to many colleagues for assistance, and in particular to Hazel Grayson for her perseverence and good humour during nine months of arduous content analysis; Dr. Michael Palmer of St. Anthony's College, Oxford, who was with the project in a part-time capacity for nine months, in which time he did a great deal of the interviewing in Paris, as well as contributing to the evidence on the historical development of AFP; Jeremy Tunstall, who conducted several interviews on behalf of the project, but in the course of his own research, in two Latin American countries, one African and one Asian country; Jaime Potenze for several interviews from one Latin American country; Denis Holt for supportive content analysis work, covering the New York Times News Service, Press Association, and Reuters Economic Services; Cynthia Richards who typed up the final manuscript with astonishing accuracy and speed. And I am of course indebted to the three to four hundred journalists, embassy and non-journalist sources, of more

than twenty countries across four continents, whose patience, accessibility and friendliness made this study possible.

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INTRODUCTION

Only a very few newspapers around the world, probably less than two dozen, could make a reasonable claim to independence in the matter of international news-gathering. Most of them are situated in a small handful of countries: the United States, the United Kingdom, Japan, one or two European countries. The others are wholly or at least heavily dependent on news agencies for their fare of news about other countries. Even the newspapers which could theoretically manage without the agencies, and yet still present a fairly comprehensive record of major world events, do in fact subscribe to the agencies, and at high cost to themselves. The more extensive their own international news-gathering operations, in fact, the greater the range of agency services to which, as a general rule, they subscribe.

The newspaper as a social institution has been closely associated throughout its history with either the possibility or the actuality of political opposition and diversity of viewpoint. The tight control over the press which exists in many countries, and the more subtle controls which exist in many others, simply testify to this association, if only in a negative way.

There are many factors which operate to limit editorial diversity of the press, even in countries

where such diversity is highly valued. One of the most important factors, and one which is only beginning to receive the kind of attention it deserves, is the influence of advertising and, therefore, of market-orientation, upon editorial choice. Other factors concern government press policies, the patterns of newspaper ownership and control, and the kind of relations maintained between newspaper journalists and news-sources.

The study of news agencies is inspired primarily from a concern for editorial diversity. If different newspapers, which supposedly function to represent different interests and opinions, tend to rely on the same news 'wholesalers' for much of their information, even if they only use these organisations as 'tipsters', doesn't this suggest that real editorial diversity is rather less than implied by the existence of different publications? If so, it follows that the need for information about these external sources is all the more important.

The extent of newspaper dependence on agencies has been documented in a number of studies, although incompletely. Possibly the most comprehensive study was conducted by the International Press Institute (IPI) in the early fifties[1]. This showed that almost three quarters of all foreign news in 105 U.S. newspapers that were examined was supplied by the three major U.S. news

agencies: Associated Press (AP), United Press (UP), and International News Service (INS). There is no indication that this dependence has declined in subsequent years. Instead, there has been a decline in the number of major agencies available. In 1958, UP assimilated INS to form United Press International (UPI). There has also been an increasing tendency for American newspapers to subscribe to only one major news service[2], and not simply for their fare of national and international news, since as one informed observer has estimated, more than half the newspapers published in state capitals take their statehouse news from agencies rather than maintain their own journalists on such coverage[3].

The 1953 UPI study drew estimates from editors of a number of European newspapers of the percentage of agency copy to total foreign news published, and these ranged from an average of 40% in some countries to 70% in others. The sample did not include editors of provincial or regional newspapers in Europe which, in almost all cases, take their supply of foreign news either from a national news agency which makes a selection of the news items it receives from the world agencies, or direct from a world agency. Once again, there is no reason to think that the situation in Europe has changed towards a position of greater independence in this respect since 1953. In Scandinavia, for instance, studies by Starck and Thoren in the late 1960's indicated heavy dependence on the four major

western-based global agencies by the comparatively serious and internationally-aware national newspapers of Sweden and Finland[4]. The analysis by Galtung and Ruge (1968) of the coverage of three international crises by four Norwegian papers showed that 87% of the examined news items came from the same four agencies[5].

The United States and Western Europe are certainly amongst the World's most well-endowed areas for media facilities. Using data collected from the UNESCO study, 'World Communications', Schramm (1964) calculated that North America and Europe had more daily newspapers than all other parts of the world combined (5180 compared with 2840)[6]. The disparity has not changed remarkably since. In 1971 there were 4438 in the United States and the non-communist countries of Western Europe, and 2705 in the three continents of South America, Africa and Asia (excluding China and Taiwan)[7]. Similar disparities have been recorded for broadcast media facilities.

The extent of dependence on news agencies for the supply of foreign news, which is great even in the United States and Western Europe, is even greater in most other parts of the world. Here, only the national press of Japan approaches self-sufficiency in international news-gathering facilities among the non-communist countries. Other countries within this block take most of their news of world affairs directly or indirectly from four

or five organisations based in the United States (AP and UPI), Britain (Reuters), France (Agence France Presse - AFP), West Germany (Deutsch Presse Agentur - DPA). In the communist countries the media rely heavily on such news services as TASS, based in Moscow, and the New China News Agency (NCNA) in Peking. Newspapers look to the news agencies not just for general news on international affairs, but in many cases for news of their own geo-political regions and occasionally for news of their own countries. All but one of the major world agencies are also national news agencies. That is, they gather news concerning the country in which they are based (i.e. have their headquarters) and distribute this news within that country. Some of these major agencies also act as domestic national news agencies for other countries in addition to their own.

'Dependence' is a matter of degree of course. In the present context the word is used to denote fairly complete reliance on the news agencies as sources of foreign news. The typical newspaper exercises its editorial judgement only in so far as it decides which news items from the agency services it wants to print. It may reduce the total volume of a story it uses, and patch together a news story from which it has removed one or more paragraphs. It rarely rewrites a story in the creative sense, (except including corroboration from alternative sources). If it does, it is generally for one of two reasons. Either it disagrees with the

implication of an agency story and wishes to locate it within its own value framework (e.g. an Arab newspaper might ignore agency references to Israeli sources which seemed to reduce the burden of Israeli responsibility for the Middle East crisis, or vice versa), or it is anxious to present the news story in a manner which implies that it is the newspaper itself, not the agency, which reported it. It is relatively rare for a newspaper to engage in independent checking of agency sources, or to supplement agency sources with material gathered by its own staff. Papers like the London Times, the Guardian, the Washington Post, Asahi Shimbun - these are the exceptions. The dependence of the rest is, if anything, increased by modern technology which allows for virtually automatic feed-in of agency material directly onto newspaper pages. Under these circumstances, creative independence in foreign news treatment is an economic liability.

The agencies do not service newspapers merely with general news, and they do not merely service newspapers. Each of the western agencies has a specialist economic news service. Most important of them are Reuters Economic Services (RES), and Associated Press - Dow Jones which is run in conjunction with North America's leading domestic economic news agency. Both these services are distributed internationally, not only to media clients but also to non-media clients like banks, brokers, and commercial houses. Well over half of Reuters' revenue now comes from such sources. There are no similar

organisations in the field of like scope or importance. The American agencies, AP and UPI, have newsphoto services unequalled by the European agencies or any other institution. UPI and Reuters, through their involvements with UPITN and Visnews respectively, are leaders in the international newsfilm field for television. All the major agencies sell to radio and television stations as well as to newspapers, and the American agencies have separate 'broadcast' wires tailored to the special needs of that market.

The importance of the agencies to broadcast stations is no less than their importance to newspapers. Three kinds of service are provided: regular and specially tailored teleprinter services; audio 'voicecasts'; and television newsfilm. Many of the smaller radio stations in the United States use agency teleprinter services directly. These are the 'rip and read' radio news programmes. The anchorman rips off the news as it comes in on the printer and reads it out over the airwaves. Larger stations have their own news editorial staff, but the agencies remain by far the most important single source of international and non-local news stories. The same is true of television:

> "As do the other networks, NBC bases the bulk of its news service on the world-wide facilities of the AP, UP and Reuters."[8]

A case study of two American affiliate television stations found that information from some sources, especially from the news agencies and from press releases,

was accepted at face value.

> "Wire services are staffed by professional journalists who are assumed to check on their stories, before 'sending' them over the wires. Since most of the reported stories are too far removed to be verified by local newsmen, stories sent by wire services are assumed to be 'institutionally verified'."[9]

The agencies were identified as the most important basic news sources for BBC Television News by Bernard Adams in a recent television documentary on the subject[10].

Researching the Agencies

Given the significance of the agencies as news sources for the 'retail' media, it is surprising that until recently these organisations have excited relatively little attention amongst the media scholars. The agencies do not enjoy the high visibility of the media they serve, and very often the more prestigious client is less likely to be generous in its acknowledgement of agency contributions. Agency news content is comparatively difficult to obtain. Newspaper content can easily be preserved, radio and television material can be recorded. But it is not always easy to determine what is agency material and what isn't in a newspaper. If the agencies are credited with some stories there may be other stories, uncredited, which are also agency material. What can be said about agency material collected from a newspaper which is truly about the agency and not about the selection criteria of the

newspaper? What can be said about the public impact of the agencies, the effect of their reporting, if agency coverage reaches the public only via the newspapers served by the agencies? The media scholar must arrange to obtain agency content direct, unmediated by any newspaper or smaller agency. He can do this by subscribing to agency services, which is not only expensive but can only provide him with a limited range of the total services put out by each agency (because not all services are everywhere available). Or he can go to a newspaper or an agency bureau and ask to pick up a complete wire or wires for his own use. This is often inconvenient for the newspaper office or the agency and they may refuse his request. But if they do agree, neither a newspaper nor an agency bureau will be able to provide more than one or two services. And the scholar will need several days' worth of material for each single wire he examines. His conclusions will necessarily be limited, because different parts of a single country, different countries or regions, often receive different versions of the same basic service, or different sets of services, from a single agency. He has to assume that he has been provided with the actual services as they were initially distributed, not ones which have been 'doctored' in any way for his benefit, or which for one reason or another are incomplete.

Any conclusion drawn from the basis of one or two agency wires must be qualified by an awareness that the material

distributed to clients is not necessarily the material that was transmitted by correspondents initially (material that is generally difficult to obtain); that the material received by some clients is not always the same as that received by others; and that clients sometimes have supplementary services or alternative sources of their own. Apart from the number of qualifications that must be made for each finding, a further deterrent to research is the sheer volume of agency output, and the tedious work of content analysis required to master it.

A study of content is rather more conveniently accomplished than a study of the agencies as organisations, spread out as they are across the world. The sheer size and complexity of their operations have also acted as a deterrent to academic study. This geographic extensiveness on the other hand is sometimes accompanied by a surprising degree of centralization of control which can make unvetted enquiries awkward.

These difficulties might have been less compelling if some of the glamour which surrounds, say, investigative reporting on the Washington Post or the Sunday Times, had attached itself to agency journalism. The agencies have always preferred a rather low profile. The public statements of their spokesmen are generally couched in a predictable philosophy of impartiality and service, both worthy and dull. For sexiness they refer to the latest technological innovations and the number of seconds

off transmission time which these have eliminated. Such was the language of Baron de Reuter, part of the formula of success in the news agency business. For the most part, the agencies want to be anonymous and uncontroversial. Agency reporters do not get bye-lines as a rule, unless for very specialist reporting, of which there is relatively little, or under exceptional reporting circumstances.

All this makes the agencies rather unusual amongst media. There are no 'stars'. There is no advertising to be attracted. The clientele is not a particular section of the market; it is a relatively sophisticated group of fellow media men who between them serve the whole market. The most striking characteristic of their clientele, as far as the agencies are concerned, is its diverse make-up. Any serious hint of obvious bias, or sloppy reporting, or any behaviour that contravenes orthodox journalistic procedure, is likely to be bad for business or at least for reputation. Why should it want controversy? The clients (who are sometimes 'members') do not want it for the agencies either. If an agency began to overshadow its client in prestige or appeal, that would detract from the client's own position and staff morale might suffer. An agency can be part of the furniture maybe, but not the overall decor.

It is possible that media scholars accepted the agencies' definition of themselves at face value, and having done

so decided not to take any further trouble. If so, things are changing. Media studies have broadened in recent years to include a far richer variety of facets than was once customary. Audience, content, organisational structure, employee characteristics and professional practice, sources, social and economic environment - all have been considered relevant and brought into one explanatory framework or another. At the same time there has been increasing political concern about the ability of the mass media to reflect society's many different interest groups satisfactorily, and about developments in media economics which appear to limit rather than to facilitate this ability. Political scientists are beginning to ask about the origins of much of the information which goes to build up their own image of society. How far is it possible for them to accept as 'facts' what newspapers, and the agencies which serve them, report as 'facts', and what about the 'facts' that do not get reported? The Creon Project at Drew University in New Jersey, for example, attempted to develop an empirical theory of foreign policy based on data taken from a chronology called Deadline Data on World Affairs which abstracts widely from the world's press. In an attempt to test the validity of this source, researchers in Japan, Lebanon, Kenya, Norway Chile and India coded a sample of the time period under investigation, using the 'best' local source, often a national newspaper carrying the most foreign news. It quickly became apparent that the vast majority of items

coded in all the sources derived from reportage of the major wire services - AP, UPI, Reuters and AFP. The researchers had then to turn their attention to these organisations.[11]

It is not only political scientists who should thank the agencies for their data, but governments themselves. Phillips Davison (1974) interviewed several European diplomats about their sources of news. He concluded:

> "The role of the wire services deserves special mention. At every major foreign office and at many embassies, one finds wire service tickers clacking out news. The printouts are examined frequently (at one foreign office every 15 minutes) by officials designated for this task, and are distributed to other officials with particular geographical and functional responsibilities. These reports may cause cables to be despatched, they may affect a decision that is being made, or they may lead to the preparation of an explanatory statement."[12]

News agencies are sometimes dramatic factors in the course of decision-making. Three times during the Cuba missile crisis a news agency dispatch was the first source of information about developments on the other side. Each time the dispatch was a report of a Moscow radio broadcast.[13] Even at times of special emergency, therefore, news agencies may be faster than internal diplomatic channels: perhaps <u>especially</u> at such times, for as Gerald Long, Managing Director of Reuters, has said, it is not difficult to be faster

than diplomatic channels[14]. Phillips Davison gives examples of diplomatic use of news agencies:

> "A member of the foreign office of a major European power described how the wire service had entered into one decision. 'Recently the Prime Minister asked for a briefing (on a developing crisis) at 11.00 in the morning. I stayed with the ticker until 10.55 and then rushed over to the P.M.'s office with my arm full of paper. Literally all we had on it was from the agencies.' The same P.M. frequently asked for 8.00 a.m. briefings on reports received from the wire service during the night. Most of the information reaching governments about developments throughout the world comes from the wire services, newspapers, news magazines, radio and television. Furthermore, mass media reports come in first; supplementary information via diplomatic or intelligence channels arrives hours, days or even weeks later."[15]

Definition and Identification

Not all news agencies are the same, and the differences between them are sometimes crucial for an understanding of their actual functions. A tremendous range of organisations fall under the description 'news agency', including small town agencies which gather local information and sell it to either local media or national media, have a staff of perhaps six journalists or less and transmit their news by telephone to clients. Such organisations may have commercial public-relations activities as well. At the other end of the scale there is the giant 'global' news agency, which most concerns us here.

There are often reckoned to be six 'global' news agencies.

These are AP and UPI of the United States, Reuters of Britain. AFP of France, TASS of the U.S.S.R., and NCNA of China. These are 'global' organisations in the sense that they gather information from most parts of the world, and distribute it to many parts of the world. The agencies of the communist countries are part of the political machinery of their respective governments, with which they have direct organisational relations. This affects the way in which they operate and the functions they perform. In particular, the western agencies are market-based: failure of market viability is a far more serious threat to them than to their communist equivalents. This book mostly addresses itself to the history and contemporary operations of the western-based agencies, partly because of difficulties of access to the socialist agencies, and partly because of differences of operation between socialist and western agencies which make the western agencies suitable subjects for separate inquiry.

There are significant differences between the western agencies as well. AFP, for instance, looks to French state organisations for much of its revenue, whereas Reuters depends mainly on non-media clients for economic services and the two major North American agencies are primarily media-based in revenue terms. Whereas UPI is a private commercial enterprise owned by a newspaper group, AP is a co-operative almost entirely owned by North American media organisations. AFP and Reuters are also media co-operatives to some extent, but the

media involved are not the most significant sources of revenue or finance.

The major western-based agencies share a number of important characteristics. First of all, as we have seen, they gather information from most areas of the world and they sell it to most areas of the world. The communist agencies on the other hand do sometimes distribute their services free of charge, which the western agencies do rarely if at all, although they may accuse one another of gross rate-cutting in certain places. In this respect the communist agencies may have more in common with government information services of western countries, like the United States Information Agency or the British Information Services, than with the western news agencies.

The western agencies tend to concentrate on what they commonly refer to as 'spot news'. This is information about on-going developments which interest the agencies if they feel there is a market for it, and provided it is 'fresh'. The western agencies are not, as a rule, interested in information of yesterday's developments or the day before's, except in the sense that it provides material for a bare backgrounding to today's development. They place great emphasis on speed. Nearly all major innovations of the agencies have been inspired or justified by their contribution to the speed with which information can be gathered, processed and distributed.

Provided that information is fresh, and that there is a percieved potential demand for it, there is a strong chance that it will be carried by one or more of the agencies. Much can happen between the reporting of an event and the distribution of that report, and the reporter often faces a host of problems with sources and transmission authorities, but there is no formal acknowledgement by the western agencies of any right of intervention by political or other authorities. Such intervention may occur sometimes, either beyond the agencies' control or with their implicit acquiescence, but this is a very different situation from that typical of the communist agencies which exist to promote formal or explicit political objectives, and whose interest in speed and the 'spot news' character of the information they carry is often greatly qualified by political considerations.

There is some dispute as to whether there are really only four major western-based agencies or whether the number should be increased to include at least two others, namely, DPA of West Germany and Kyodo of Japan. Both these agencies have a large annual capital turnover and extensive international news-gathering strength. Kyodo executives interviewed in 1973 did not regard themselves as in the same league as the global agencies, however. Their news-gathering forces are concentrated very much in North America and Western Europe. South America does not figure very prominently, Africa and the Middle

East hardly at all. Kyodo's overseas sales do not compare with those of the four major agencies in any part of the globe. DPA's spread of news-gathering resources around the globe is rather more consistent than Kyodo's, its international sales of greater significance. Interviews with DPA bureau chiefs indicate that just as Kyodo foreign correspondents regard the Japanese market as almost their sole concern, so do DPA correspondents concentrate very much on the German market, and German-speaking Europe. There are about 75 overseas DPA offices, and over 100 important overseas clients, but these figures are considerably below those for the major agencies. The strength of DPA overseas bureaux in manpower terms rarely compares with that of the four major agencies. DPA bureaux do not operate round the clock, and little attention is given to certain categories of news which the major agencies do cover in some depth; in particular, sport. DPA subscribes to the international service of UPI, which indicates continuing dependence on the major agencies, and Kyodo subscribes to all four major news agencies. None of the major western agencies subscribes to the international service of another western agency, although they may take one another's domestic service.

Below the 'global' agencies, then, there are agencies whose operations in some ways are less extensive, like DPA or Kyodo, which can conveniently be described as

'international'. There are international agencies in the communist block as well, like Yugoslavia's Tanjug, or East Germany's Allgemeiner Deutscher Nachrichtendienst. These agencies have some foreign correspondents of their own, usually concentrated in a handful of major capitals or fewer, and who may sell internationally to one particular region (as Spain's EFE does to South America), or to a few significant clients overseas, often national news agencies with whom an exchange arrangement may be maintained rather than a cash relationship. At a further step down the ladder are the national news agencies, which might have one or two correspondents overseas in major cities to cover news of special interest to the country of their agency, but which function to gather and disseminate their own domestic news, and to distribute international news from larger agencies to local media or government departments. In a few countries, the primary function of a national news agency is to distribute news from international agencies locally. This tends to happen where there are few local media, or even none at all, and where internal communications are insufficiently developed to allow for regular news-gathering from provinces to the capital. At the bottom of the heirarchy there is a whole spectrum of smaller organisations. Some of these may specialise in certain kinds of news, such as economics or sports agencies, or in certain geographic regions of a country, or in certain kinds of client.

These different levels of the heirarchy can also be conceptualised as different points on a continuum which is itself made up of several dimensions which may or may not always correlate. This does not alter the fact that in practice the daily news media of most countries in the world depend very heavily for their supply of overseas news on a mere handful of organisations which we can with reasonable accuracy describe as 'global' news agencies.

The Foundations

Today's global agencies originated in Europe around the middle of the nineteenth century. L'Agence Havas, predecessor to AFP, was established in 1835. Reuter established his London office in 1851. The original AP was formed in or around 1848 (the date is disputed)[16] in New York but not until the turn of the century and after did the American agencies engage significantly in international gathering and distribution of information. Third most important of the European agencies was Wolff in Prussia, founded in 1849.

One of the distinctive characteristics of these organisations was their early exploitation of the electric telegraph. This was invented in England in 1837 in response to the communication requirements, and facilities, of the fast-expanding railway networks. Reuters, from 1851, depended entirely on this new innovation for its raison d'etre, which was not the

transmission of general news so much as economic information for bankers, brokers, and commercial houses of all kinds. The electric telegraph was extremely appropriate for this purpose. It was the speediest form of transmission of information yet known, and nowhere was there such a demand for speed in transmission than amongst those with a wide geographic spread of financial or commercial interests. This was the market on which Reuter depended for the first decade of his agency's existence. The newspapers had to be talked into making use of this kind of service for general political news.[17]

In France the telegraph was from the first almost entirely a State affair; whereas in England it was developed by private enterprise until internal communications were nationalized in 1870, and in the United States it remained in the control of private enterprise. In England and the United States the telegraph companies produced their own news services for newspapers, coffeehouses, and commerce. They wanted to make use of their spare wire capacity, especially at night when normal demand was at its lowest. In this way the benefits of electric telegraph were first brought to the provincial and regional press as well as to the metropolitan. Provincial papers were obliged to make use of such services for competitive reasons, and also because in this way they could be independent of the metropolitan press for their supply of national

and international news. Yet they resented the companies which ran the services as a side-line and with a dedication far weaker than the papers would have liked. Knowing their importance to the provincial press, the companies asked for what seemed exorbitant subscription fees. On the other hand, there were not so many companies that the papers were able to play one off against another. The newspapers wanted exclusive information and here again the companies failed them. The latest telegraph news could be posted up in coffee-houses long before the papers appeared in the streets.

This list of grievances on both sides of the Atlantic inspired the formation of news agencies controlled by newspaper co-operatives. AP was first and became the largest of these. The Press Association in Britain was formally constituted in 1869, and was one of the interest-groups which campaigned for the nationalization of the telegraph. Co-operatives of this kind were invariably co-operatives of daily newspapers, the newspapers that were under the keenest pressure to secure supplies of up-to-the-minute news, because their performance in this respect could be monitored so frequently. They formed an obvious market for the agencies for whom this kind of information function was the most convenient. The electric telegraph was an extremely expensive form of communication at first. Pithy economic reports and short announcements of the latest political developments could be transmitted suitably in this way, but not

long-winded explanatory essays. Telegraphic communication was not only very useful for decision-makers who needed to be well-informed, but it also created its own demand amongst newspaper readers and this was another factor which increased the importance of agency services in the eyes of editors.

Through their exploitation of the electric telegraph, the news agencies played a significant role in the developing relationship between provincial or regional and metropolitan newspapers. In the United States, the telegraph stimulated the expansion of small-town dailies who were soon to become the members or clients of the major American agencies, functioning as sources of revenue for them and as sources of news. America would not have done without a regional press, but the agencies ensured a minimum standard of news-coverage for it. The Press Association in Britain supplied regular national news to its member newspapers and also distributed international news which it took from Reuters on an exclusive basis (except for distribution to papers in the London area). Had it not been for this arrangement, the continued exploitation of railway distribution for the national or London papers might have killed off the provincial dailies in Britain altogether.

Not all the consequences were necessarily positive. In France, Havas did not develop as a co-operative. By making international and Parisian news available to

provincial French newspapers by telegraph, the agency not only weakened the possible role of the Parisian press but it also intensified competition in the provincial press, and this worked in favour of the stronger, wealthier papers better able to afford the new service which was inclined towards maximization of revenue, unfettered by the co-operative ethos that pertained in Britain. And in all the countries where these early agencies originated there were complaints that the news agencies imposed a uniformity of content that reduced true editorial diversity.

The electric telegraph, like the railway, was invented and first developed in the world's leading economic and political powers. It was in some of these countries that the newspaper press first began to flourish. In Britain, the 'taxes on knowledge' designed to restrict expansion, were lifted in the 1850's, with the result that many new provincial papers emerged, and the ground was set for the creation of a 'popular' or mass circulation press. Political press suppression continued unevenly in France after the 1850's but in addition to the weighty elitist papers there emerged a 'petit' press which was apolitical and depended for much of its success on serialised fiction. The first newspaper to reach a one million circulation by 1900 was Le Petit Journal. Press freedom had a much earlier history in the United States than in Europe, and was positively supported by the federal government in

reaction against the continent's initial experience of European oppression. By the middle of the nineteenth century the United States had become the world centre of the cheap daily press, which reached deep down into the urban working classes long before the daily press of Europe had reached most of the middle class. The formation of strong newspaper markets for the news agencies had taken place therefore well before the turn of the century. Whereas the newspaper market was adequate for the American agencies, however, it was not strong enough to concern Reuters unduly in the agency's very early years or to deter it from cultivating other markets later on, nor strong enough to sustain the appetite of the Havas family.

The most important political fact about these agencies from a global point of view was their location. The West European powers led by Britain were entering their second major imperial phase; their overseas economic interests grew even faster and more permanently than their territorial acquisitions. The electric telegraph followed territorial and economic interest; the agencies followed the telegraph. The extent of agency expansion closely reflected the extent of imperial and economic expansion. Reuters was for a long while the most 'global' of the agencies, followed by Havas which tended to concentrate on Southern Europe, and then the Prussian agency Wolff whose main sphere of activity was central and northern Europe. This division of interest, in

part determined by the political and economic configuration of the time, was crystallized in the cartel arrangements between the agencies which controlled their activities for at least half a century.

The first successful transatlantic cable was laid in 1866. Before the end of that decade, a direct line between Malta and Alexandria made possible direct communication between Malta and Bombay. By 1872 South East Asia was well interconnected with Europe. Many of these original lines were duplicated in subsequent years to allow for heavier traffic and cheaper tariffs. Important extensions to the network to New Zealand, the Philippines, Borneo and China (Shanghai), were accomplished during the late seventies, eighties, and early nineties, almost entirely on British capital and initiative. Where foreign landlines had been necessary initially to interconnect strategic routes, new routes were formed to allow for British control. This was a region in which Reuters was by far the most prominent agency for the next forty to fifty years.

At the same time as cable was extended to South East Asia there was similar activity in the Meditteranean, South America and West Indies. In 1871 for instance, cable connections were made linking up St. Thomas, St. Kitts, Antigua, Guadaloupe, Dominica, Martinique, St. Lucia, St. Vincent, Barbados, Granada, Trinidad, and Georgetown. Many of Brazil's most important internal lines were laid

in the early 1870's as well as connections between the eastern seaboard countries of South America. The cable development of intra-African communications started a little later, the most active period being the late eighties and early nineties. Some of the important networks laid in that time were between Capetown, Durban and West Africa; Dakar with Accra, Lagos, Sierra Leone and the Cameroons; Aden, Zanzibar, Mozambique, Dar-es-Salaam and the Seychelles. The territories of several European nations were involved, and companies of several nations co-operated with one another when it served their interests, just as did the news agencies of Europe[18].

Cable communications were very expensive in their earliest years. The market for news was not so lucrative that the agencies felt free to establish local news-gathering networks wherever they wished. Instead, they relied very much on each other for their information. The system of news exchange which grew out of this was accompanied by mutual protection of each other's major markets. The agencies agreed in other words not to poach on each other's territory for clients. They could not recoup news-gathering costs through local sales in areas which were not 'theirs', so they tended to concentrate their news-gathering resources inside their own client-areas. For Reuters these were Britain and all parts of the British Empire, Holland and its dependencies, Australia, the East Indies and the Far East. Havas had France, Italy Spain, Portugal, the

Levant, Indochina and Latin America. Some territories were operated jointly by Reuters and Havas, such as the Ottoman Empire and Egypt. and others were considered 'neutral'. These included the United States.

There were modifications as time went on, but the basic character of the cartel remained constant until the 1930's, when the leadership of the European agencies was effectively challenged from America. AP had begun to establish its own independent reporting system in Europe well before the first World War, but it did not sell overseas. AP was a junior member of the cartel, which owed its initial survival to the exclusive contract it had signed with Reuters for the supply of news from the cartel in exchange (plus a cash payment) for its own news of the United States. The deal was an important factor that enabled AP of Illinois to secure victory in its fight with the older but corrupt AP of New York. It was permitted to expand to a few territories considered 'natural' AP property, like Puerto Rico and the Philippines, but in most respects AP's dependency on the cartel continued well into the twentieth century. It was from UP that the European agencies first felt the American threat. UP had no link with the cartel and, in order to secure news sources abroad, often established relations with other agencies outside the cartel system.

Before the Second World War the importance of the American agencies made itself felt most of all in South America,

where first UP and then an increasingly rebellious AP ousted Havas from a position of dominance, and later in the Far East where the American agencies confronted Reuters. In Europe the old agencies held on to their traditional markets. These had been strengthened for Reuters and Havas in one sense as a result of Germany's defeat in the First World War. This eliminated Wolff as a major agency, although it did contine on the national level.

The breakdown of the cartel was not solely the result of competition from America, although it was largely related to factors that also precipitated America into the great-power arena. The American agencies owed their success not simply to the quality of their services but also to resentment amongst smaller agencies and newspaper clients against the European cartel. This resentment was experienced both by clients in colonial territories and, even more so, by the agencies of larger countries with strong political aspirations of their own, like Stefani in Italy and Domei in Japan which tried to offer alternative services of their own, with limited success. Whether out of cultural self-assertion or out of sheer poverty, many of the agencies that had once been compliant junior members of the cartel failed to meet the annual subscription charges, and bad debts increased as the Depression took its course.

The Depression undermined even the alternative revenue

sources of the leading European agencies-advertising in the case of Havas, economic news in the case of Reuters. Economic insecurity fostered ties between the agencies and their respective governments, which aroused much protest from newspaper clients and greatly weakened the agencies' credibility at home and abroad.

Just as the agencies had been quick to exploit the advantages of the electric telegraph, they soon learnt to adapt the new technology of radio transmission to their own ends. This made communication much cheaper than it had been, but it also tore another hole in the structure of the cartel. The cartel was based on geographic division, and radio did not respect geography. Radio made it easier for competition to enter the field, and it was especially convenient for competition which was essentially propagandistic in purpose since it could be picked up so readily. Radio communications could be more easily pirated on that account.

AP formally withdrew from the cartel in the early thirties. The needs of the domestic United States market were strong however, and most of the organization's energy was confined to expanding and improving internal communications and news-gathering networks. It was not until immediately after the second World War that the American agencies really established themselves as global agencies. The war had destroyed Havas, and AFP needed a few years to properly establish itself. Reuters had lost many

clients - in the wreckage of the war and with the loss of markets to TASS in the new communist territories. A few years later it lost China, and when the Press Trust of India established itself as monopoly distributor of news in India, Reuters also in effect lost that market.

The American agencies deliberately cultivated Europe. In some cases agency representatives were ahead of the liberation troops, signing up new clients in war-ravaged cities. The European agencies were relatively weak on the ground; the Americans were strong. America's foreign policy of active involvement in Western Europe and in other parts of the world to contain what was feared to be the potential expansion of the communist countries, its role in supporting Western Europe economically via the Marshall Plan, and not least its promotion of a crude version of the 'free flow of information' doctrine,[17] helped create a huge demand for American news, which the American agencies could best supply.

The European agencies were to recover, but at a price. Whereas the American agencies remained basically media-based agencies in the sense that media were their most important sources of revenue, Reuters turned increasingly for support to non-media subscribers of its economic services and AFP tended to rely more and more on State clients, so that both agencies could continue to support the infrastructure necessary for their global role.

Impartiality and Structural Balance

The early years in the development of any industry typically constitute its entrepreneurial age. The unknown character of the market and the tentative state of industrial organisation combine to produce what is often a great flexibility of direction. Later on when the product has been successfully established, even considered a necessity by some, and when revenue is relatively secure, greater caution is often exercised in the face of apparent market changes and the emergence of new possibilities.

Something of this kind may have happened to the global agencies, although they have not exhibited excessive business conservatism in the third quarter of the twentieth century. Two ideas have remained constant throughout their history. The first of these is their commitment to the importance of speed, and we have seen how they exploited the distinctive character of the electric telegraph as a form of communication. The second is their adherence to the idea of non-partisanship. When Reuter first began supplying economic and financial information to business clients, he made a point of distributing his information to all of them at the same time. Early access to information may mean money for the speculator, but for Reuter to have granted this privilege to just a few would have occasioned mistrust,

if not outrage, amongst the majority.

The original compelling reason for impartiality in the case of Reuter, therefore, was the <u>similarity</u> of interest shared by his clients. When it came to newspapers, it was the <u>diversity</u> of interest and outlook which required impartiality. The press in Britain at that time was greatly partisan in character. In France it became so whenever the government permitted, and sometimes when it did not. For an agency to demonstrate any kind of evident political leaning, one that could be recognised and labelled as such, would have meant an immediate reduction in revenue as clients dropped the service and perhaps put their money into an alternative. Later on these two countries followed the United States towards the development of an apolitical press that concentrated on the 'middle market' in order to achieve the right mix of circulation size and advertising revenue[20]. Once again, relative uniformity of interest, this time in being relatively non-partisan, required impartiality (understood as the absence of overt partisan support rather than as strict philosophical neutrality).

There was an agency in Germany after the first World War, namely, Hugenberg's Telegraph-Union, which in addition to a general news service also put out differently nuanced services for papers of the political right, and for 'neutrals'. Havas, in its earlier years, transmitted as a special service different political

editorials from Paris depending on the political colour of the client. This has not been a widespread solution to the problem of political diversity, and for good reasons. Such an arrangement calls for rather more manpower and work than the provision of a single service, particularly where speed is considered an essential operating necessity. But the sheer cynicism of the exercise might in itself give rise to lack of trust on the part of the clients. In the communist countries, the agencies are of course clearly aligned with political objectives, and the western principle of 'impartiality' is rightly held suspect. But on the other hand, the political values which the agencies are required to uphold are treated with much the same feeling and importance as the idea of 'impartiality' in the West. Both are cultural 'truths', too structurally important for their respective societies for doubt to be welcomed.

For the western agencies, the commitment to impartiality has to be understood within the context of a capitalist and social-democratic political economy. It would have been fairly hard to fault them on the principles which they applied to the reporting of events, which are the principles to which most journalists in the western hemisphere will at least pay lip-service. But the question of which events were selected and which were not - the values in other words that determined what was and was not 'news' - this clearly raised problems of partisanship. So long as these values coincided with

the cultural boundaries accepted by the bulk of their paying subscribers, however, the agencies' claim to 'objectivity' had a definite social meaning.

The philosophical and political limitations of the concept become clear when the nature of the agencies' clientele is considered. The newspaper was then greatly restricted in cultural and class outlook, especially so in Europe, and this cannot have failed to influence the first services of the agencies, which were not after all subject to any more complex sets of demand than from the press. The agencies also exhibited a metropolitan bias. It was natural that Reuters should concentrate on the wealthy press of London, that the early AP should be greatly controlled by its original New York owners, and that Havas should favour the fatter papers of the leading French Cities.

There <u>were</u> other papers: small weeklies, or periodicals of infrequent appearance, in both town and country, representing trade unions, radical parties, and various interests of the working and middle classes. If an organisation is to be defined in part by what it chooses <u>not</u> to become then it is important to remember those sectors of the 'market' that the agencies passed by, however inevitably.

The 'impartiality' of the agencies must be understood in practice therefore in terms of the range of political differences that was considered to be significant by

their clientele. And the major differences were mostly to do with party affiliation or tendency. 'Impartiality' referred to a process whereby news was reported from a perspective other than that of a specific political ideology or propagandistic interest. But it did not ignore these things. On the contrary, the agencies' 'impartial' perspective focused very much on the very same phenomena that excited the political men, but without taking sides, or being seen to do so.

This is the kind of news-reporting which has come more and more to characterise the newspapers of the western world and its sphere of cultural influence, and which coincided, it has been argued, with the rise of the 'middle-market' or mass circulation newspaper, the newspaper designed to attract advertisers as much as readers. The early news agencies preceded the rise and maturation of the 'middle-market' newspaper, but they shared much in common with it. Both distrusted marked political preferences, for commercial reasons.

A connection has been demonstrated between telegraph news and press non-partisanship, mediated by the institution of the news agency. D.L.Shaw (1967) studied the national election coverage of a random sample of 147 English-language daily papers in the United States between 1852 and 1916[21]. Using judges to help distinguish between biased and non-biased stories, he found that the amount of bias in his sample

declined during the period he selected. At the same time, the number of campaign stories which originated from telegraph news rose. The increase in the use of wire news over time was related to at least five factors: the expansion of telegraph facilities; the decreasing relative cost of telegraph news to newspapers; declining costs of newsprint; expansion of press association services and a growing reader demand for telegraph news. Between 1869 and 1887 the volume of press association news sent over nonleased Western Union wires increased from an estimated $2\frac{1}{4}$ million messages to $24\frac{1}{2}$ million. Press association news attracted greater respect then the services previously put out by the telegraph companies themselves - the press associations maintained a far closer relationship to their newspaper customers, who were virtually their sole customers, whereas the company services were merely a side-line to utilize spare wire capacity.

The recipients of telegraph news were not of course obliged to use it unchanged. Melville Stone, first editor of the 'modern' AP which grew out of AP of Illinois, recalled talking one day with a young man employed on the Chicago Times:

> " 'What do you do?' I asked
> 'Edit the telegraph', he replied.
> 'And how?' I returned.
> 'By inserting the words which the correspondent eliminated to save telegraph charges', he explained."[22]

AP disapproved of this practice, and in time it succeeded in imposing a fair level of uniformity in this respect throughout the American press, (later helped by the development of teletypesetter delivery). In England, Storey records that 'Reuter often had to fight for the accurate reproduction of the telegrams against the editors inclination to preserve at least the appearance of their individual originality by chopping and changing mercilessly what he gave them. From the beginning he had insisted on having his name quoted at the head of his messages'.[23]

But the agencies had other standardizing influences. According to Emery (1964), the style of agency reporting affected <u>all</u> reporting - in promoting the custom of leading a story with its summary and composing it in the manner of an inverted pyramid, for instance, and by simply determining news priorities.[24]

There is some scope for arguing that the agencies, in attempting to provide as non-partisan a service as they could, contributed to the relative depoliticisation of the press in the western world and its sphere of influece. But of course, 'non-partisan as possible' can still be fairly partisan by other standards. This book is an attempt to explore one facet of the issue: namely, the phenomenon of structural imbalance and its consequences for the ethic of impartiality. The issue itself originates in political concern: the globe is dependent

on a few organisations for the continuous flow of certain kinds of information that are considered important to the administration, education and entertainment of peoples. Do these organizations serve all peoples equally, or are their activities determined by the interests of a few? If certain interests have more influence than others, to what extent is this an inevitability of history or politics?

Arrangement of the Manuscript

This is not a study of swash-buckling foreign correspondents, although systematic analysis of agency news-gathering is included. It looks at news agency activity very much as a business, which survives out of a concern for money, even if maximum profitability is not always its goal. Central to the theme is the essentially western character of the world agencies, and the extraordinary dependence of practically all media organizations on these agencies. For non-western countries this dependence on the agencies for news of other countries is not simply dependence for news of events in the west, which is provided in generous measure, but also dependence for news of their own geographical regions, although the supply of non-western news is not as liberal.

The study seeks to demonstrate and to explain, amongst other things, the greater responsiveness of the four western-based global agencies to western requirements as determined by their clients among news-organisations

in the west. The first three chapters therefore are concerned with showing just how important the agencies' domestic markets are. The domestic markets provided (and in at least three of the four cases examined still provide) the main impetus to expansion and maintenance of overseas news-gathering machinery. This is apparent in the abundance of agency services for their domestic markets which are not available elsewhere; in the general distribution of their resources; and in the character of agency news content. Domestic markets are important because they are in general the wealthiest available. For that reason they invite competition, internally and externally. The struggle of each of the agencies to establish as strong a market position at home as possible, and the strategies they employed to succeed in doing this, are the subjects of Chapters 2 and 3.

Just as domestic markets tend to be favoured in the distribution of agency resources, so in the foreign field wealthiest markets tend to receive the most attention. In the case of the United States, however, the oligopolistic position of the two major domestic agencies does not leave room for extensive external competition from Reuters and AFP, which are nonetheless obliged to expend considerable energy in covering the United States for news purposes. Reuters' recent penetration into new U.S. markets is one of the topics of Chapter 4, which is generally concerned with the history of European coverage and the gradual emergence

of American agency activity on European markets, as well as the history of American coverage and the relatively low profile in the United States of the European agencies. Chapter 5 carries the review of foreign markets to less wealthy areas of the world and is concerned to show how there is less agency competition in certain world regions than is immediately apparent, and how this is to be explained in part by the coincidence of interest between the agencies and the governments of their base countries, both in the past, and to a lesser extent, in the present.

Chapter 6 moves away from a concern with the geographical distribution of agency activities to a concern with differences in kind between major client groupings and how these have affected agency development. Although the agencies are publically identified mainly with the newspaper market, alternative sources of revenue have been cultivated from an early point in their history. These sources can be divided into those which involve the sale of material similar in presentation and organization to the sale of general news for newspapers but involving non-media clients; and those still mainly located within the media field but involving radically different forms of organization, such as agency services for radio, cinema, television, and the provision of photo news for newspapers. Economic news services for non-media clients, especially as these have been developed by Reuters, form the main concern of Chapter 6, along with the involvement of the French agency, Havas, with

advertising clientele between the world wars, which has had important consequences for the constitution of its successor, AFP. Chapter 7 continues the theme of market diversification, and examines in detail the growth of agency involvement in the business of television newsfilm distribution.

Chapter 8 analyzes the importance of national news agencies in the overall process of news collection and distribution by the global agencies. The development of national agencies is seen as an out-growth of the pattern of relations between the global or international agencies of the late nineteenth century, and of the general process of imperialism. Many of the first national news agencies were modelled on the original agencies of Britain, France and Germany, and were caught up in the oligopolistic division of the world market established by these agencies. In recent years the global agencies have recalled some aspects of this earlier period by acting as consultants in the formation of new national agencies. The contemporary relationship between world and national agencies shows that the national agencies need the world agencies for their supply of world news, and sometimes for technical and editorial assistance. The world agencies need the national agencies as important local news services, as clients, and as news distributors. In practice the character of the relationship is often oomplicated by political factors.

The final five chapters of the book look in some detail at the character of news-gathering and agency organization today. Chapter 9 examines the organizational structure of the agencies, in relation especially to the degree of centralization of control, communications and client relations. Chapter 10 is a report of survey evidence gathered in the course of study into organization of individual news agency bureaux from the view-point of bureaux chiefs. This is supplemented with interview data for an analysis of agency relations with news sources, the subject of Chapter 11. Chapter 12 reports the findings of content analysis in which different agency wires were compared to give some further indication of the way in which the product is related to the production process in news-gathering. A more qualitative analysis of agency news, finally, appears in Chapter 13 which looks at some of the public statements that agency executives have made about the values that lie behind their occupational practice, and some estimations that have been made of agency performance in South America and South Vietnam. The Conclusion suggests an explanatory model for an understanding of agency development in terms of a set of organizational 'strategic choices', between conflicting strategies for survival.

Throughout the study, but especially in the earlier chapters, pain has been taken to establish the historical context, and one of the objectives of the research is to demonstrate how certain patterns of contemporary practice

derived from earlier patterns established as much as a century ago or more. The data-base for the historical material is very different from the data-base for contemporary material: it consists mainly of the few histories that exist of the separate agencies[25] (of greatly varying quality), of articles and notes from professional and trade journals such as 'Editor and Publisher' or early copies of 'Journalism Quarterly', of histories of the press in varying countries, and from other less likely sources wherever useful information has been found. The objective has been to establish a major comparative source of reference on the major western-based global agencies for future students. At the same time this is the first study to examine and compare contemporary aspects of agency organization, news-gathering and marketing of all four of the major western-based news agencies across a number of different countries; it is also the first to provide a detailed account of agency diversification into major media-related or non-media client fields, such as economic news services for industrial or financial clients, or television news-film distribution. Much of the material relating to the period from World War Two up to the present (1975-6) therefore has no prior published source, and is based on interview, survey, or content-analysis data collected for this research. The dual aim of providing a comparative historical framework and an analysis of contemporary practice has meant that the manuscript runs to a considerable length by most standards.

Most of the people contacted in the course of the research were promised effective anonymity, which has created a sourcing problem. This arose out of the competitive relationship between the organizations studied, and from the author's own research interest in market-related data which was of some importance to that competitive relationship. Much of the discussion on contemporary agency organization in Chapters 1,6,7,9,11, and 13 is derived from interview data or as in Chapter 10, and the analysis of the contemporary American market in Chapter 3, on survey data. The discussions on agency coverage of contemporary Europe, the United States, and the Third World in Chapters 4 and 5 are also mainly derived from interview data. Sometimes sources are referred to by category rather than as individuals: 'senior HQ executive' for example, indicating a source at head office; 'local news executive' indicating a bureau chief or a senior journalist of an overseas bureau. A longer description of methodology is to be found in Appendices 1-3.

It is well to clarify one or two terminological problems at this point. A fourfold distinction is maintained throughout the text between 'global' agencies and agencies which are 'international', 'national' and local, corresponding to the points of the continuum discussed earlier. Furthermore the term 'domestic' is applied to characteristics and operations of any agency within the country in which the agency maintains its Head Office; the terms 'foreign' and 'overseas'

therefore refer to the subject's non-domestic activities. Finally the term 'local' is often employed in relation to correspondents, clients and sources to indicate that they belong to the country under discussion, in the sense of working or living there.

The news agencies sometimes do their best to obscure some of the most important facts about themselves: they are in one of the most competitive branches of the news business, hidden though they may appear to be from the general public. I have attempted to assemble all the relevant facts; however, the information needed to tie up loose ends or to compare the agencies directly on some specific point has not always been made available. It remains to be said, finally, that the world in which the agencies operate is one of constant flux: this applies as much to technology as to the politics of countries in which they operate. Where it has seemed appropriate I have inserted the year in which I obtained the facts under discussion, and in general my analysis is intended to apply only up to the mid-seventies.

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CHAPTER ONE: Business Begins at Home

The single most important fact about the global agencies in their role of international news wholesalers for the world is their fundamentally national character. This becomes apparent immediately upon examination of the ownership and control of these agencies, and of the ways in which they distribute their resources. Extending our enquiry beyond that to the comparative availability and quality of agency services between the domestic and foreign markets, we find that in at least three out of the four cases the clients of the domestic markets are in the most favourable position by far.

Ownership

The leading American agency, AP, is just that: American. AP is a newspaper co-operative owned by its member newspapers. Of the two kinds of members, full and associated, only full members can purchase bonds, and as bondholders they are entitled to additional directorship votes. All full members are located in North America (full membership was opened to Canadian papers in 1971). Associate membership is extended to broadcast organizations and to some foreign subscribers, but these are not permitted full membership. Not until 1976 did the AP membership vote in favour of increasing the number of directors from 18 to 21, so that three AP broadcast members could sit on the board.[1] Associate membership means little in terms of organizational influence and

control, and even the significance of full membership is limited:

> 'A careful reading of AP's Annual Reports indicates that the membership is not consulted on most issues.....Directors operate ordinarily without benefit of initiative and referendum.'[2]

It is the power to vote in the election of directors that is the main inspiration for publishers to maintain full membership of the agency. As a result, the board tends to reflect, as Schwarzlose (1965) has shown, the predisposition of the larger and more lucrative members of the organization, those most likely to have many bondholder votes. This does not by any means give total control to the board, since it has been argued that organizational power in recent years has drifted away from the board via the general manager which it appoints to the administration.[3]

Like AP, Reuters is also owned mainly by its national press, that of the U.K. But although it is often considered to be a co-operative in the same spirit as AP, the similarity stops short. Just why this is the case will become clearer later on, but briefly, the U.K. press has never been financially strong enough to support Reuters in the way the United States press supports AP, not to mention UPI. Few of the structural characteristics of a co-operative which AP exhibits are to be found in the operations of Reuters.

Reuters is a limited liability company incorporated under the Companies Act (U.K.); its capital is owned by the press of Britain, Australia and New Zealand. The Press Association, representing provincial newspapers of the U.K., owns 41.7%; the Newspaper Publishers Association, representing London-based national newspapers, owns an equivalent share: 41.7%; and the remainder is divided between the Australian Associated Press, representing Australian daily newspapers, whcih has 13.9%, and the New Zealand Press Association, representing the dailies of New Zealand, has 2.7% (1973 figures).[4] Ownership is therefore concentrated in the U.K., and Australian and New Zealand representatives do not normally attend the regular board meetings in London, although there are occasional board meetings in the Pacific area which they do attend for discussion of area-related issues. In practice, control of the organization rests largely with the Managing Director appointed by the board, and his staff.

The French agency, AFP, is not actually 'owned' by anybody. It was given provisional status as a public body in 1944, and in 1957 was formally reconstituted in law, granted the rights of a private individual but outside all conventional judicial categories.

Those working for AFP often like to consider themselves part of a co-operative structure not dissimilar to AP or Reuters. They point with some justification to the

body which actually administers the agency, the Conseil d'Administration. This body elects a President-Director General for a renewable period of three years and retains the power to suspend him.

It is made up of fifteen members as follows:

- 8 newspaper directors, designated by the most representative professional organisations;

- 2 representatives from O.R.T.F.;

- 3 representatives from public service clients of the agency, designated respectively by the Prime Minister, the Minister of Foreign Affairs and the Minister of Finance;

- 2 representatives elected from the agency's personnel, one of whom is a journalist while the other is taken from the remaining categories of personnel.

It would seem therefore, that newspaper publishers together have more power on this body than any other group. But the 1957 statute created two other bodies less frequently talked about by AFP officials when describing their agency's operations. The first and most important* of all three controlling bodies is the Conseil Superieur. This body exists to ensure that the responsibilities with which the agency is charged by law are carried out. These responsibilities are that the agency:

(i) should be completely impartial, free of all ideological and other interest or considerations that would compromise its impartiality.

(ii) must use its resources solely for the purpose of furnishing its French and foreign clients with a news service which is regular, uninterrupted, accurate, impartial and trustworthy;

and

*but cf.Note 1,p.957

(iii) establish a chain of bureaux around the world which will give it the character and status of a world news agency.

Costs of the news service have to be covered by payments from subscribers, most important of whom are in practice State organizations.

The Conseil Superieur, in its watchdog function, has the power to direct its observations to, or impose its requirements on the President-Directeur General of the Conseil d'Administration. It can require the suspension of a decision made by the President or the Conseil d'Administration, or force a second deliberation. In a case of extreme circumstances, it can decide to fire the President himself.

This supervisory body has eight members:

- 1 member of the Conseil d'Etat as elected by the General Assembly of the Conseil d'Etat, who is the President of the Conseil Superieur;
- 1 magistrate for the Cour de Cassation (Supreme Court of Appeal) as elected by the General Assembly of the Cour de Cassation;
- 2 newspaper directors designated by the most representative professional organizations;
- 1 journalist, again designated by the most representative professional organizations;
- 1 representative of French radio, O.R.T.F.;
- 2 further members co-opted by these six.

Finally there is the Commission Financiere, appointed by the founding statute. This third body comprises

three members as follows:

- 2 members of the Cour des Comptes, designated by its first President;

- 1 expert elected by the Minister of Finance.

This Commission is charged with the surveillance of AFP's financial affairs, and has the right of complete access if it considers that the agency's administration has not taken the necessary measures to ensure financial equilibrium. It has the power to require the appointment of a provisional administrator of AFP by the President of the Tribunal de Commerce.

America's second major agency, UPI, is sometimes thought to be totally dissimilar to the other agencies. It is not a co-operative; it is not a public body of any kind; it issues no official annual report.* In practice though there are similarities: it is part of a newspaper group and it has as close a relationship with its clients as any other agency, with the possible exception of AP.

UPI is a private subsidiary of E.W. Scripps Co., which owns a controlling interest in the agency in addition to its interests in Scripps-Howard Newspapers (which in 1974 had 18 dailies and which was one of the 21 U.S. chains to own more than 100 papers, ranking fourth in terms of the total circulation it controlled); United Feature Syndicate (a subsidiary of UPI), Newspaper Enterprise Association (a supplemental agency), Scripps-Howard Supply Co. Inc. (which deals mainly in

* Annual 'progress reports' however were inaugurated in 1973

newsprint), and Allied Newspapers Inc. (the advertising department of Scripps-Howard Newspapers).

E.W. Scripps Co. also has a 66% holding of Scripps-Howard Broadcasting Co., licencee of four UHF TV stations, two AM radio stations and one FM radio station. In 1967, E.W.Scripps Co. told the Subcommittee on Antitrust and Monopoly Senate Judiciary Committee, that it could not transfer UPI profits into its newspapers, but could lend money to its subsidiaries.[5]

Revenue

It is not ties of ownership alone which give the agencies their national character. Of greater importance to them is the relative wealth of their domestic markets. The global agencies are big spenders: e.g. $70 millions by AP in 1972, $57 millions by UPI in the same year, and 132 million francs by AFP. Reuters' turnover that year was almost £14 million.[6] They are concerned to cover costs. Home markets for all the agencies account for a substantial proportion of total revenues although official figures are not available in all cases. In the case of the American agencies, the proportion of total revenue accounted for by the domestic United States market is certainly not less than 60% and is probably around 80%.[7] The second most important market for the American agencies in revenue terms is

almost certainly Western Europe. Some of the other major world regions are of almost negligible importance in this respect. An IPI study in 1956 gave some indication as to the extent of difference which exists between the largest and smallest markets: UP told IPI that only 3% or 4% of all its total revenue came from Asian clients; an AP Tokyo bureau chief estimated that only 3% of the total income of his agency was derived from the Asian service.[8]

AFP also looks to the home market for the bulk of its revenue. In 1971, for instance, overseas revenue accounted for only 17% of its overall revenue, whereas domestic revenue accounted for 79.3% of the total.[9] About 73% of that domestic revenue came from organizations of the French State in their capacity as AFP clients, while most of the remainder was accounted for by newspapers. As a rule one might say that revenue from overseas is only about one third of the revenue AFP obtains from Paris, but about twice as much as the revenue earned from French provinces and overseas colonial territories (see Table 1).

If the State sector is excluded from the revenue figures, however, foreign revenue appears to exceed the total revenue earned from Paris and the provinces; and revenue from the provinces exceeds Paris revenue. In other words, it is <u>especially</u> AFP's dependence on the State for revenue rather than the media, which makes the home market so important for the agency.

TABLE ONE

AFP BUDGET RECEIPTS AND EXPENSES (in 000's francs)

Year	Receipts			Expenses		
	Paris	Provinces & Territories	Foreign	Paris	Provinces & Territories	Foreign
1969	67,140	10,978	19,242	60,305	6,116	30,762
1970	74,242	11,948	22,347	65,924	6,719	35,895
1972	91,194	14,379	27,008	81,525	7,542	43,595

Year	Receipts excluding State Sector		
	Paris	Provinces & Territories	Foreign
1972	9,579	13,586	24,077

(SOURCE: AFP Official Annual Estimates)

There is some indication that the importance of the overseas market for AFP is growing. The domestic-foreign revenue balance certainly improved by comparison with the figures for Havas before the Second World War. In 1939, Havas (AFP's predecessor) earned 8.5% of its total sales receipts from overseas. Even in 1949, AFP's overseas sales were more important than this. But Havas was both a news and an advertising agency. The advertising agency was separated from the news function during the war, and AFP dealt only in news. In absolute terms the total domestic revenue figures were therefore smaller after the war. On the other hand, income from the French press dropped from 33% in 1939 to 15% in 1949-50. This decline, a result both of war devastation and the temporary limitations on AFP's activities, perhaps increased the relative importance of the foreign market.

In more recent times the trend has continued.[10] Between 1957 and 1968 for example, receipts from overseas clients increased by 181% while receipts from domestic clients over the same period increased only 166%. Overseas, the agency's financial turnover in the period 1957-65 increased by 143.23% compared with a domestic turnover increase of 103%. The percentage increase of overseas receipts (as a proportion of total annual receipts) jumped from 17% in 1956 to 23% in 1966 (there was a slight fall in the early sixties). These improvements must partly be the result of a decline in the number of French daily newspapers, which has been fairly consistent since

the post-war period. In the decade 1953-63 alone, 18 provincial newspapers disappeared. From the point of view of AFP's domestic media revenue base this must certainly be disappointing; but if it brings about a greater balance between domestic and foreign markets, overseas clients may expect to be able to exert more influence. All this cannot for the moment change the overwhelming presence of the French State as the agency's major client.

Reuters, unlike the other three agencies, has no domestic arm as such. The Press Association, which is part-owner of the agency, distributes international news from Reuters and AP to the provincial U.K. press. Reuters distributes its news services direct to the national newspapers in London and to the Press Association's London Head Office. It distributes financial and economic news services to clients throughout the country, whether media or non-media. Because of the arrangement with the P.A. therefore, the importance of the domestic market is not so evident in the case of Reuters as it is in the others. Yet the proportion of U.K. revenue to the total is still considerable for just one country. In 1974, overseas trading revenue represented 84% of Reuter's overall revenue, and the remainder was mostly accounted for by the U.K. There is a strong tendency for the importance of overseas trading revenue to increase over time. The percentage of revenue accounted for by overseas trading has risen consistently from 73% to 84% in the period 1966-72. The percentage for earlier years is not available, but

it is known that between 1961 and 1966, a high percentage of the increase in total revenue was accounted for by increases in overseas trading revenue. This percentage fluctuated between 64% and 91% of total respective increases of 11.8% and 7.2%.[11] Reuter's most important overseas market is Continental Europe, which in 1972 accounted for 38% of total trading revenue, followed by North America (17%), Asia (11%), Africa (7%), the middle East (3%) and South America (3%).[12]

Clients

The domestic markets are unusually wealthy markets for the agencies because these are countries which are media-saturated. Each domestic market accounts for a large percentage of the total number of clients served by its agency although there is evidence of an expansion in overseas clients. In 1977 UPI reported a world total of 6,972 direct subscribers to its news services. In the United States the agency claimed to reach 1,131 newspapers and 3,650 radio and television stations.[13] Almost a third (31%) of all UPI clients therefore are foreign clients. This represents a significant increase in the relative number of overseas clients of 9 percentage points in the space of 13 years and 3 points in 1974-7 alone, (in 1964 there were 1,336 foreign clients out of a world total of 5,846). Almost 70% of the foreign clients in 1964 were reported to be newspaper and broadcast organizations in the European-African region controlled from London. It can safely be assumed that

nearly all of these were in fact European given the paucity of the African market (cf. Ch.5). Most of the remaining 30% were in South America. There is little evidence to suggest that these proportions have altered significantly since then. Overseas expansion concentrates on the more affluent world regions.

In 1952 however, the proportion of UP's foreign clients was actually higher than in 1977 at 33% (total 3,527). This was before the UP-INS merger, and UPI's subsequent renewed assault on the domestic market in an attempt to establish itself on an equal footing with AP.

The absolute number of UPI's foreign clients has increased consistently from 386 in 1937 to 1,336 in 1964, to 1,855 in 1973 and 2,191 in 1976, or by six times in a forty year period. The total number of clients (domestic and foreign) increased consistently in the period 1957-73, from 5,063 to 6,622.

The proportion of AP's clients who are overseas is rather higher than UPI's case, although directly comparable figures are not available. In 1966, AP claimed to reach 1,236 U.S. newspapers, 2,600 radio stations and 324 TV stations. The total number of clients recorded was 8,500, indicating therefore that foreign clients accounted for about half the total (4,515 in 103 countries and territories). This total was some 2,000 clients greater than UPI's for 1966, and a similar disparity

occurred in 1957-8 when AP recorded a total of 7,275 and UPI a total of 5,063. It cannot be certain that these client numbers are assessed in exactly the same manner by each agency (e.g. it is not known whether the figures include those indirect clients who receive the foreign services via the national news agencies). The number of AP's newspaper members in the United States has risen fairly consistently in the period 1957-73 from 1,265 to 1,741. Schwarzlose has shown that expenditure on AP's foreign activities increased a little more rapidly than on its domestic activities 1949-63.[14] In general it would seem that the underlying tendency is for the U.S. agencies to intensify their competitive rivalry on international markets, leading to a slight decrease in the overall significance of the domestic market. But this tendency must be strictly limited by the entrenched position and other world agencies in many international markets, and the relatively poor revenue possibilities in so many third world areas.

The greater representation of domestic clients is not as evident in the case of AFP as it is for the American agencies, but it is still appreciable. In 1972 there were approximately 550 overseas clients for AFP services. At home there were some 140 subscribers to main AFP services in the provinces, and 28 newspaper subscribers in Paris. Excluding French State clients, therefore, the home market accounted for 23.4% of the total.[15]

In terms of direct overseas client numbers, the world

market for AFP breaks down in an unusual way, with (in 1972) 169 in South America, 95 in the Middle East, 93 in Asia, between 55 and 87 in Europe, 52 in North America, and 54 in Africa. These figures include private clients as well as national news agencies which also distribute the service to many other papers and broadcast stations not included. Fifteen of the European clients are national news agencies. National agencies are generally much more important as revenue sources than any single media organization. Twenty-eight of the African clients are news agencies. In South America on the other hand, there is no distribution through national agencies because there are few such agencies to distribute through. This helps to explain the high number of clients in South America, over half of which are broadcast organizations. In the Middle East, over half of the clients are private.

In terms of revenue importance, Western Europe is by far the most important market after France. AFP retains only a low profile in North America (see Chapter 4).

It cannot be said that the proportion of U.K. clients to the total of Reuters' clients is as great as in the case of the other agencies, but just as Reuters' revenue base tends to be Continental Europe, which in conjunction with the U.K. accounts for over half of the total trading revenue, this same area probably accounts for a similar majority of its clients. For instance, Reuters in 1969 distributed directly or indirectly to 3,154 newspapers around the world: 52% of these, or 1,640, were located

in Europe.[16] Reuters does not have a domestic market base so much as a regional market base therefore.

Distribution of Resources

Concentration of ownership, revenue and clients within national boundaries appears to influence the distribution of agency resources in favour of these privileged home markets. This is certainly trueof the American agencies, and of the French agency to a less obvious extent.

The number of bureaux which the agencies maintain around the world may be taken as a rough indication of the extent of their commitment to news-gathering in each major region. A bureau is an office manned by at least one full-time staffer. By this measurement of agency resources, the American agencies appear to be more concerned to maintain adequate domestic news-coverage. than foreign news-coverage, unless it is accepted that the standard of adequacy should be determined by the home market, which in fact is what seems to happen.

Schwarzlose (1965) reported that AP's domestic bureaux in 1962 accounted for 66% of their total bureaux.[17] In the space of the subsequent decade, the proportion of domestic bureaux appears to have fallen very slightly to 65% of the total. Elliot and Goulding (1971) report 60 foreign bureaux for AP to 111 domestic bureaux, although

Weiner (1972) records only 110 domestic bureaux.[18] A slight increase in the proportion of foreign bureaux would lend some confirmation to Schwarzlose's judgement in the early sixties that foreign markets would become more important growth areas.[19] He showed that, whereas expenditure on foreign news was relatively slight in comparison with expenditure on domestic news, the relative increase in expenditure for both categories over time favoured foreign news. In 1963, 54.4% of total AP expenditure went on domestic news-gathering costs, and only 16.5% went on foreign news-gathering. But over the period 1943-63, foreign news expenditure had increased by 74.4% whereas domestic news expenditure had increased by rather less: 69.2%. There is some evidence in the case of all the agencies that foreign news-gathering has received a mild impetus in recent years by comparison with domestic news. This may be the result of a tendency in the affluent mid-sixties to establish bureaux in some of the remaining capitals of the world which before had no full-time staff; also, to the influence of the Vietnam war on Asian coverage. But the economic recession of the early seventies, accompanied in the case of America by an inward-looking news-drift as a result of Watergate and allied domestic problems, almost certainly placed at least temporary brakes on such expansion.

UPI in 1962 gave rather less emphasis to domestic news-coverage than AP in terms of bureaux. Domestic bureaux accounted for 58% of UPI's total for that year, still a

hefty proportion. Weiner (1972) lists 100 domestic UPI bureaux, and the agency's publicity material for the same year gives a total of 238 bureaux altogether, indicating that foreign bureaux outnumber domestic if the publicity material is correct. UPI's definition of a bureau is very liberal by comparison with AP's. But this kind of problem of comparison besets the scholar very frequently in the study of news agencies. A more comparable figure for UPI's overseas bureaux was given as 100 in an internal AFP report in 1965.[20] Even this figure probably included many 'bureaux' which were simply locations of occasional or part-time correspondents. A count of foreign bureaux listed in the Editor and Publisher Yearbook for 1974 excluding those where the 'news correspondent' is found 'care of' a newspaper (indicating stringer status) or where there is only a reference to some larger bureau in another country, gives a total of 64 foreign bureaux for UPI (no count for AP). The same source lists only 94 domestic bureaux for UPI, so that on these figures the proportion of domestic to total bureaux is 59.5%, a slight increase on 1962.[21] It would seem therefore, that UPI devotes more of its resources (on this measurement) to foreign news-gathering than AP, possibly in an effort to compensate for AP's much stronger position on the domestic market (cf. Ch. 3).

Measurement of the relative importance of the domestic market by the number of bureaux in domestic and foreign

markets is necessarily a crude measurement. A bureau may vary in size from one man to one hundred men. Variations in the number of bureaux may be considered less important in some respects than investments in communications and new technology, although, as we will see, the United States is usually first beneficiary of new innovations introduced by the American agencies in any case. The extra revenue taken in from the provinces is less than half of the expenditure deficit on overseas markets. One may suppose that some 16 million of the 77 million francs anticipated in 1972 from State subscriptions, mostly paid in Paris, went towards supporting the agency's overseas burden.

The relative sizes of domestic and foreign bureaux constitute a further indication of the overriding importance of the domestic market especially in the case of the U.S. agencies. The bureau size of a middle-ranking domestic AP bureau compares quite favourably with the bureau size of an average overseas bureau. Take for instance the AP bureau in Philadelphia, one of AP's ten 'hub' bureaux in the United States, responsible for the dissemination of regional news within the area covered by the 'hub' and one of three AP bureaux in Pennsylvania alone. This bureau in 1972 employed 22 full-time journalist staffers, including photographers and excluding technicians. UPI's Philadelphia bureau was the agency's second most important bureau in the state, since the main bureau was in the state capital

of Pittsburgh. Yet even the Philadelphia bureau housed a full-time staff of eight reporters, two maintenance men, one photographer and two operators. In Austria, on the other hand, AP in 1974 had a journalist staff of three, one of whom was a photographer, and UPI had a staff of six journalists, of whom 5 were engaged mainly on translation work for a German language news service. For Holland, AP had a journalist staff of three, UPI had two. In Italy there were 13 journalist staff for AP and 10 for UPI.

The population of Philadelphia in 1973 was estimated to be under 2 million (U.S. census figures quoted in Editor and Publisher Yearbook 1974). For the American agencies this city was considered rather more important, measured in manpower resources, than Austria (population in 1969 of over 7 million), and Holland (population in 1970 nearly 13 million), and about as important as Italy (population in 1969 over 53 million), (national population figures given in Pears Encyclopedia 1971). Non-European bureaux are not generally as well-staffed by American agencies, or by any of the agencies, as European bureaux.

Distribution of resources in favour of the home market would be meaningless in this context if it were not accompanied by a superiority of service. Once again, the evidence in the case of the American agencies is overwhelming; and impressive in the case of AFP. The

American agencies in the first place simply offer a much greater variety of services for their domestic clients or members than are generally available overseas. The important services offered by AP to its members and clients in the United States are the 'A' and 'B' national wires and the state or regional wires. There is a special broadcast wire for radio and television stations, and a wirephoto service for the press. In addition to these services there are others of lesser importance, like the economic news wire which mostly carries stock market figures. It is immediately evident in comparing the domestic and overseas situation that there is far greater differentiation of the American market in terms of services than there is overseas. The broadcast wire for broadcast organizations is one example. It is not simply a question of the content received, but the convenience with which it is received. Small clients can arrange to take a single wire which carries all the main ingredients of the other wires. This service is compiled at state or 'hub' level. Most newspaper clients for AP (and most of these remarks apply equally to UPI) can receive their services in teletypesetter form, which means that they can transmit agency material into print without the need for further manual typesetting on their part. A few already subscribe in 1975 to datastream services which allow the client to dial the stories he requires in advance.

The national 'A' wire carries priority national and international news. The 'B' wire carries news of

lower priority, as well as articles, features and types of relatively 'timeless' material. Much of the 'B' wire material is destined for certain localities or even for specific clients. The 'state' or regional wires, needless to say, carry a high proportion of local news in addition to the general fare of national and international news. The broadcast wire carries relatively little news, reflecting the lower news consumption of its clients. It is edited in a form convenient for immediate use by newsreaders, and goes out in short, regular cycles. There are more than twice as many broadcast clients as there are newspaper clients for the agencies. Most of them are small, so that they may not be as important as sources of revenue as the press, but important all the same.

Foreign clients of the American agencies generally have nothing like the choice available to U.S. clients. They usually have one wire only, although in some countries it is possible for them to have a 'B' wire as well. Sometimes they are totally dependent on selections of the service made by a national agency, but in any case they have no control over the volume of the service offered nor over the content. Wirephoto is generally available, although cable transmission is possible only in Europe and Mexico. In most other parts of the world, radio rather than satellite is still used; and in some parts, clients who cannot afford the charges entailed rely on air mail. Where costs of transmission are exceptionally high, in other words, the client has

to face the prospect either of paying these himself, in effect, or doing without the service. The agency will take the initiative only where a reasonably good market is already established.

U.S. clients or members of the American agencies enjoy certain refinements in the news coverage they receive which affect overseas clients only indirectly, if at all. AP, for instance, unlike UPI, maintains a 'Special Assignments' team in Washington, whose members work on longer-term projects that require the kind of 'digging' and 'investigative reporting' that is not common on ordinary news beats for the wire services. The 'Special Assignments' team tends to concentrate on Washington or federal stories which are of primarily domestic significance, and therefore not geared specifically for the overseas market, and often not even transmitted overseas in any form. Much the same could be said of AP's 'enterprise' output from New York, which has its own editor to inspire original coverage. Here again, domestic news stories appear to get the most attention. During the author's visit between the middle of February and the middle of April 1972, for example, only one out of 21 'enterprise' stories had a direct bearing on foreign affairs and this was a five-part series titled 'The Road to Peking, U.S. Chinese Relations', by Bill Ryan. The domestic stories included a report from consumer writer Dave Wallace that standards for lead free gasoline were so high that emission control devices

would not work; an article by science writer Brian Sullivan that gave depth treatment to the vitamin E fad; an account of the controversial ITT-Hartford Fire merger by business writer David Burke. Naturally, topics of this kind are likely to be of interest to other countries, especially those which are linked with the United States by reason of culture, politics, economics and technology. But they are inspiredby the needs, or the perceived possible interests, of the domestic U.S. market.

The bulk of AP's members in the United States has to be greatly impressed with this kind of enterprise or investigative reporting before it will consider using it. Many papers do not even notice the stories going out over the wires. Traditional resistance to 'heavy coverage' by the smaller papers and dislike of using material that the competition might also use, are two problems quite apart from the expense, and which help explain why it was not until 1965 that the Special Assignment team was created (by AP General Manager Wes Gallagher). In 1969 the team won the Worth Bingham Prize 'for a steady stream of reports spotlighting corruption, waste, bureaucratic bungling and other government practices ill-serving the public interest'. The shift towards more emphasis on depth coverage under Gallagher did assume some change in market feeling. In his 1967 address Gallagher claimed that "research had revealed that 'members want more enterprise reporting and less police-blotter type of coverage' and that as a result

'AP has concentrated increasingly on trends, or reporting of social change and its effect on society and the individual's way of life'".[24]

But the limits to the public appetite for this kind of reporting are severe, as AP recognises. Seymour Hersh, who exposed the My Lai massacre story, walked out on the Special Assignments team after the AP slashed one of his pieces on biological warfare from 10,000 to 1,700 words. A decade earlier even 1000 words would have been extremely unlikely. In 1969 Paul Miller, President of AP, told AP Managers' Editors Association (APME) that lengthy 'specials' from AP were not getting the play in the newspapers the wire service had hoped they would receive.[25] Nevertheless, the Special Assignments team has survived well into the seventies and looks like a fixture.

AP's 'enterprise' reporting is based largely on a bank of specialists maintained in New York. This bank was greatly expanded during the sixties, and includes writers on racial developments, consumer interests, science, aerospace, education, religion, urban affairs, auto racing and golf. There is a task force of writers for enterprise projects in addition to the news-gatherers, and a task force of photographers stationed across the country and on immediate call of the Photo desk, who can be brought in for either spot news or enterprise developments.

There are few such specialists outside the United States. Nobody really likes to use the term 'specialist' at all overseas, where every correspondent can be called on at anytime for any kind of coverage. But there are one or two journalists in the larger bureaux who spend most of their time working within a specific area. In London's AP bureau there is a diplomatic correspondent and a sports specialist. Diplomacy and sport are the fields which most frequently attract specialist attention overseas. Economic reporting for AP is largely taken care of by AP-Dow Jones; but in the case of UPI this is another field which in the larger bureaux often occupies one man full-time. The majority of bureaux, however, do not have specialists. Nor can they usually enjoy the option of calling in a specialist from a regional centre in the way that regional bureaux in the United States can request the services of a specialist from the New York Head Office.

Agency-Client Relationships

Clients with specific information requirements, or who wish the American agencies to follow up stories for them on an exclusive basis, would do better on the whole to be situated in the United States. Some requests are more easily dealt with than others. If a request is for information that has already gone out over the wires, the client has merely to be referred to the right number and time of story. If it asks for information which will be covered in any case during the course of the day, there

is no extra work involved. Problems arise when the request is slightly unusual, raising new angles or issues an agency would not normally bother with. In such cases, a request has more chance when the material which is asked for is also suitable, or can easily be made suitable, for many other clients in the same region or even around the world. But if the material does not have such 'sales prospects', the client is very likely to be charged for the service. It is in the nature of the general structural imbalance characteristic of the agencies that requests coming from those parts of the world where the agencies commit fewest resources, and where clients are less wealthy, will create the most extra work and cost. Media in the developing world, having fewer alternative sources of foreign news than media in the west, are more likely to have greater reason for putting in special requests. Their very geographical position is likely to make their interests somewhat unusual or individual, and they are not likely to be able to pay for the extra effort involved. UPI's Washington bureau houses a regional desk established in 1961 to handle special client requests from the domestic market. A regional editor supervises the activities of six Washington reporters, each of whom is responsible for looking after the interests of a major geographical division. The reporter in charge of the North West division knows that anything which is discussed in Washington about the lumber industry is likely to interest the clients of his area. The regional reporters are there to anticipate client requests and to respond to them when they come. They

expect some fifty requests or so a day altogether, relayed either through state capital bureaux or from the clients themselves direct. Similar though smaller regional desks exist in New York, Philadelphia, Chicago and Cleveland.

There is also an International desk which is meant to serve the interests of overseas clients in a similar way, and this is staffed by nine journalists. It is slightly larger in full-time manpower than the regional desk which caters for domestic clients, but then the regional desk has, right beside it, some 36 full-time staff of the general news desk whose assistance can be called on if necessary, not to mention the three journalists for the broadcast wire, three for a local Washington wire and five for the audio service - all mainly domestic services.[26] Journalists on the inter-national desk are for the most part covering routine Washington 'beats', but looking for international angles, rather than responding directly to specific client requests, although they do some of this too. Their main function in any case is to provide adequate Washington information to the rest of the world. Washington is the only capital in the world which the American agencies consider merits this kind of attention. There is no similar machinery to the International desk in any non-American capital. Special requests from overseas clients to American agency bureaux outside the United States would have to compete with the pressures on the journalists who staff them to produce a basic service, as well as compete against the requirements of

more important clients. Since requests are often more likely to go to high crisis or especially 'newsy' points, the competition is intense. In Saigon in early 1973 there was such a back-log of requests from U.S. clients, that it could take up to several months to clear them.[27] Under such conditions, non-American clients would probably have stood even less of a chance.

Client consumption of news stories is monitored by the American agencies around the world, and rather more closely than by the European agencies. Local bureaux send in to their regional Head Office or to New York weekly accounts of how the important papers of their area used the material they received from each agency. Scores are compiled to show which of the U.S. agencies 'won' on each important story; the agency which 'loses' may note why it lost: a certain angle missed, a delay in transmission, failure to back a story with a photograph. In this way, each organization builds up a fairly good picture of its relative strength in each client area and in each news-area. The reports, AP Log and UPI Reporter, are sent to every bureau for general reading. The assessments of their competitive position cannot be completely accurate. Not all newspapers are necessarily monitored every week; it sometimes is impossible to tell where an unsourced news item originated; and a bureau chief may not always want to send in too accurate a picture! Nevertheless, the weekly record is one of the agencies' most important forms of feedback. Records of client consumption are

as keenly kept outside the United States as in the interior.

In other respects, the quality of client-agency relationship is far superior inside the United States. This is especially apparent in the case of AP which provides the organizational and referent framework for the APME. This association of editors from member papers of AP each year establishes a number of committees which sit to discuss and organize research into aspects of AP functioning and of their own newspaper problems. More than 500 editors sat on APME committees in 1971. The Association offers various awards for outstanding coverage each year, such as the Public Service Award and the Freedom of Information Award. In November 1974, Brooks Jackson, a member of AP's Special Assignments team in the Washington bureau, and photographer Chick Harrity, also of the Washington bureau, were given APME's 'top performance' awards. Each received $500 and a plaque. Jackson was singled out for his coverage of the milk producers' political campaign contributions and Harrity was honoured for his picture of former President Nixon as he bade farewell to his staff.[28]

The scope of APME committees from year to year is tremendous. In 1974, the Writing and Editing Committee compiled a list of 50 common errors in newspaper writing. Most were matters of word usage; others concerned spelling or grammatical rules.[29] The Committee on Professional Standards in 1972 conducted a survey of editors on their

attitudes to gifts and publicity junkets, and found that 55% did not rule out free gifts, and only 20% did. APME committees in 1969 were able to tell American newspapers that fully half of a survey of 260 newspaper readers across the country reported a lack of confidence in their newspaper in one respect or another, and that another survey of 53 persons demonstrated that American newspapers had a credibility gap of substantial proportions.

Especially important are the committees which assess AP's performance. In August 1969, for instance, the Media Competition Committee reported that AP was gaining in competition with the TV networks in coverage of space shots.[30] The Business News Committee in 1971 delivered a comprehensive survey of editors' attitudes towards business news services. One member of the Committee contacted a cross-section of editors from large and small dailies, asking them to have their financial editors communicate with local persons in the business field and get their reactions on the news coverage of the AP in that category. He reported that AP business news did not get a high rating from businessmen because they used the Wall Street Journal as their bible.

> "Businessmen generally agreed that the AP is shallow in its coverage in that field and inferior to the Wall Street Journal and the Dow Jones ticker, but most rated it above the United Press International service."[31]

Although APME's research is far from meeting academic standards, there can be little doubt that the AP

relationship with its members through APME helps create a unity of identity amongst members, a reliable and powerful means of feedback, an impetus to excellence in professional practice and a forum for new ideas that is not matched by any of the other agencies, least of all the European agencies. It is not a criticism of AP members to say that they look after their own interests first, but it is important for an understanding of world news flow to appreciate the vital domestic character of the two American agencies and the concentration of organizational vitality on home ground.

UPI, possibly in deliberate emulation of APME, established a similar organization. UPI had traditionally held a conference of editors and publishers every year (EDICON) but this did not have the continuous backing features of APME. The EDICON meeting held in Mexico City in 1973 voted overwhelmingly in favour of the establishment of a national newspaper advisory board. The main function of the board would be to 'assist and advise UPI executives on ways the agency may carry out its goals and purposes for the benefit of the profession'.[32] Rod Beaton, UPI President, hinted at one motive behind the agency's encouragement of the scheme:-

> "In particular we feel communication advances and technical innovations, affecting us all, make it essential for the closest possible liaison with those who use UPI services."[33]

The board's activities would focus on assisting UPI in

charting common management goals, principles and policies

designed to strengthen UPI services. They would include consideration of issues relating to news-gathering and dissemination, both foreign and domestic. The board was also to be charged with evaluating and developing services geared to a high standard of performance. It was instructed to work with UPI in research and development of new methods and systems in editorial and production areas.

The fifteen-member Newspaper Advisory Board held its first meeting in Chicago in the Spring of '74. Board members had been elected to represent the five major U.S. regions: Central, East-Northeast, Southwest, West and South-Southeast. An early intention to include non-U.S. media representatives did not materialize. The holding of the annual EDICON conference in London in 1975 indicated some intention to focus the attention of European media in the agency's direction, but this was not followed up by a broadening of Advisory Board membership to include non-U.S. media. The board set up working committees and participated in a general discussion of news service activities. Three working committees were announced: the Services Committee which would study and make recommendations on the various UPI services, including news and news-picture; the Management Committee which would consult with UPI senior executives on operational matters; and the Technology Committee. In a meeting in the autumn of 1974 the chairman of the Services Committee reported on a survey of more than 30 papers' news priorities. He found that they 'emphasised in-depth coverage on the significant

stories of the day'. Another member claimed the Board would function to help establish priorities for the future:

> 'In this electronic age, we have the capacity to deliver almost any kind of service anywhere in the world. We must take advantage of each technological advance. We must make UPI a wire service for the 1970's, tailored to adapt to the last quarter of the 21st century. It is important that we become not merely a patched up, makeshift version of the 70-year-old service. We need only to establish priorities. This is the function of the advisory board, to advise and consent - and dissent where necessary. We will not run the UPI or presume to speak for its subscribers, but simply act as a bridge for the two.' [34]

A new development of the UPI Advisory Board in late 1974, along lines similar to the organization of APME at the state level, was the introduction of a committee of New England editors whose stated function was to assist UPI in meeting the news requirements of newspapers in the six-state New England area. The first committee meeting considered the status of the UPI news writing-photography contest and the wire service's annual New England newspaper subscribers' convention. In parallel with AP's decision in 1976 to allow Broadcast members representation on AP's Board of Directors, UPI established a Broadcast Advisory Board that same year, with a similar brief to its newspaper counterpart.

No organization similar to APME or UPI's NAB exists in conjunction with Reuters' activities or those of AFP. These organizations do not follow client consumption of

their material quite as scrupulously as the American agencies; they are not quite so concerned to assess their competitive position in this respect. Naturally there is a great deal of interaction of an informal day-to-day kind between the European agencies and their clients, but this interaction is rarely systemised for hard inspection. In the case of Reuters and to a lesser extent in the case of AFP, the reason for this is partly that they do not have the large homogenous market of the American agencies. If they were to gather together sufficient numbers of editors and publishers every year on a scale similar to the American agency annual conferences, they would have to cope with problems of language and of great differences in interest between media of different countries. That is to say, they would have to organise truly international conferences, whereas the American agency conferences are almost entirely domestic affairs. If the European agencies were to try to do for their clients what the American agencies, especially AP, do for theirs in this respect, they would be breaking new ground indeed. So far they have not tried. There are organizations which try to do for the international market what the American agencies do for their domestic market. There is the International Press Institute, for instance, which amongst other things produces an annual report on censorship and freedom of the press around the world (AP also produces a similar but less well documented annual survey). The greatest problem of all in the European case may be that the market is not

as stable as the U.S. domestic market, and the agencies in Europe may feel there is not the same kind of reward to be gained. On the other hand, one of the aims of the American agency organizations is to enhance the profitability of their members and clients, and to seek ways of improving the relationship between newspapers and their readers on the principle that what is good for their newspapers is good for the agencies.

Reuters is necessarily an exception in this section, which is concerned with agency facilities for domestic clients, because it is not involved in the home market to quite the same extent as the other agencies are in theirs, nor can it be said that the scope or quality of its services for U.K. clients is noticeably different from the services offered to, say its European clients, although there are significant differences when the European market is compared with, say, markets in the southern hemisphere.

AFP shares something in common with the American agencies in the importance it attaches to the domestic French market, although not to the same extreme in all respects. France is its most important source of revenue, as we have seen, accounting for almost 80% of the total, largely because of funds injected through State clients; and France attracts the heaviest expenditure, around 67% of the total. A sizeable proportion of all clients are situated within the country - approximately 23% if State clients of Paris are excluded - and 15% of all major bureaux.

Just as some of the middle-ranking North American bureaux of the U.S. agencies are better endowed with resources than some of the middle-ranking European bureaux of the same agencies, some of AFP's French provincial bureaux are more heavily manned than certain bureaux which cover whole European countries. AFP divides France into 13 metropolitan regions. Of these, Marseilles is probably the most important. There were more clients here in 1972 than in any other region, including 13 newspapers, 2 ORTF stations and 3 regional prefectures.[35] The bureau was manned by a regional director, six journalists and six technicians. Lyon, with eleven newspaper clients and also staffed by six journalists as well as support staff, was second most important. Each of the regions has a regional director and between two and six full-time journalists. There are two for Clermont-Ferrand, three each for Lille, Nice and Le Havre, four each for Metz, Renne and Toulouse. These figures compare quite favourably with some middle-ranking European bureaux. The Madrid bureau, which is additionally important as a source of news for AFP's South American clients, has a staff of four editorial men in addition to a director and auxiliary staff. In Vienna, the journalist staff consists of one director and three editors. Athens has an editorial staff of three.

There is a high concentration of manpower within France itself. In 1972, AFP distributed to 26 European countries, 40 African, 20 Asian and 21 American countries and

territories. Including bureau chiefs, it maintained 88 editorial staff in Europe and 83 support staff (outside France); 84 editorial and 77 support staff in Asia; 57 editorial and 50 support staff in Africa; 46 editorial and 86 support staff in South America; 23 editorial and 22 support staff in North America; 41 editorial and 38 support staff in the Middle East. In France itself the agency maintained 60 editorial and 88 support staff in the provinces and a team of eight journalists on the provincial desk in Paris. Excluding the non-provincial staff in Paris, therefore, 17% of AFP's editorial strength around the world was concentrated in France, and 19% of its technical support staff. The percentage of total editorial staff accounted for by the French provinces is not very different therefore from the percentage of the total number of major bureaux.

All four of the western global agencies tend to appoint nationals of their own countries to senior executive posts overseas. This is a further indication of their concern that the needs of the home market should receive top priority. One senior news executive of an American agency in Europe, asked about the declining number of locally-recruited bureau chiefs in his area, linked it directly with the increasing concern of his superiors for meeting the news requirements of domestic U.S. newspapers.[36] Given the heavily national character of the agencies in other respects it also makes for convenience in organizational control to appoint fellow

nationals overseas, and this provides a wider range of career possibilities for domestic staff. Information on the nationalities of bureau chiefs was collected from a total of 145 bureaux around the world excluding domestic bureaux. Of these, 97 or 67% were nationals of their agency's base country and a further 13 or 9% were nationals of another agency's base country (for instance, a French national working for an American or British agency) or white Commonwealth (usually Australian) nationals, and 35 or 24% were locally recruited from the country covered by the bureaux, (cf. Ch.10). There were no remarkable differences between the agencies. Many of the bureaux in the charge of locally-recruited bureaux chiefs were very small, ones which transmitted their stories to regional head offices for clearance before being placed on the main distribution circuits.

Services for Overseas: Dependence and Independence in Distribution.

The scope of client choice in the case of subscribers to the U.S. agencies is much greater inside the United States than outside. The same is also true for AFP's French clients: there is greater scope for them to choose than for non-French clients. Regional AFP provincial bureaux, for example, gather regional news to insert alongside the national and international news service from Paris for clients in their area. AFP clients outside of France generally receive just the one service

directed to their region from Paris, with very little if anything added by the local bureau. In many cases they receive the service through a national news agency which makes heavy cuts in volume and has its own standards of selection.

Distribution via national news agencies occurs for a variety of reasons. Some governments require their media to take international services in this way; some media prefer this distribution system because it is less costly on them individually; the agencies may choose to distribute this way where they do not wish to meet the costs of translation and distribution themselves, or simply because the national agency can pay more than the potential market of individual clients. Sometimes it happens that the arrangement with a national agency is not exclusive, and clients have the choice of taking the service in a truncated form through a national agency or subscribing to the global agency direct, or taking the full service of the global agency but through the communications facilities of the national agency.

The question of whether a client chooses or is obliged to take a global agency service through a national agency or not, or whether a global agency distributes directly or indirectly, has some very practical relevance to the quality of global agency services available. In some respects there has been an increasing preference for independent distribution by the global agencies for their

overseas clients over the last few decades, and in other respects a fall-back. The following data was collated from interview evidence. Statistical information in the case of (mainly) third world non-aligned countries is presented in Table 2 on page 96.

Naturally, where government restrictions impose distribution through a national agency, the global agencies cannot do very much about it. This happens most of all in African countries, some Asian countries (most noticably India), and in communist countries. In South America there is not much choice because there are hardly any 'national agencies' with a monopoly on their home market in the way that there are in Europe, or with extensive leased communication facilities in the interior of their countries. AFP distributes through national agencies wherever a suitable agency exists, as a general rule, although not always on an exclusive basis. Of course, if the alternative to taking the agency service through a national agency is taking the full service in French as is sometimes the case, then that is not really an alternative in those places where French is not commonly spoken.

Reuters has exhibited a tendency towards independence from national agencies in recent years, but there are severe economic restrictions on the extent to which it can go. The most noticeable examples are nothing to do with distribution but with news-gathering - in the United

States and in France it no longer takes the domestic news services of AP and AFP as it once did. The most forceful example of a move to independence in distribution is in West Germany where Reuters no longer distributes through the West German agency DPA, but instead delivers the service directly. This step was taken unwillingly by the agency, however, after UPI's successful bid for the contract in 1972.

In Europe, Reuters translates into French and German for direct distribution. AFP, which distributes through national agencies in most European countries, translates into German and English. Its Spanish and Portugese translations are for the South American market only. The English translation is most of all suitable for Britain, and is also transmitted to Scandinavia where English is more acceptable than French. AFP also uses English for transmissions to North America, Asia (except Indochina), and Anglophone Africa. In Germany the agency has traditionally distributed independently, and now goes through the newly established German agency DDP. This is not an exclusive contract, and individual newspapers can also be furnished with the German language service. The German service also goes to the Democratic Republic of Germany, Austria and Switzerland.

UPI which once stressed the need for independence in distribution, has undergone a recent policy change, one result of which is a preference for distribution through

national agencies where this can be suitably arranged. In West Germany it goes via DPA. The only European countries in which UPI now (1976) maintains independent distribution, (which also means translation of the service from English into the local language) is in France and in Austria. The translated services for Scandinavia were phased out from 1975 to be replaced by contracts with Scandinavian agencies.

AP, on the other hand, has tried to maintain independent distribution as long as possible. AP services in translation are still distributed in France, Italy, Holland, Germany, Austria, Norway and Sweden. Belgium receives services in Dutch and French; Switzerland gets services in French, German and Italian. In Spain, AP is distributed through the Spanish agency EFE, which translates the service. The Spanish situation is explained partly by AP's relative lack of success in attracting clients there, and partly by Spanish preference for distribution of global services through EFE which is government controlled. In Portugal, AP had no clients for her news services in the early '70's. Signs of retrenchment on the policy of independent distribution were further evident when the Danish service was discontinued in 1974.

In South America the two American agencies and AFP generally distribute independently. The emergence of strong national agencies in Argentina and Brazil in the 1970's, however, and AP's 1976 agreement with the Brazilian

agency, Agencia JB (AJB) whereby AJB will distribute AP news and photo services, indicates a change in direction. Up until now all three agencies have translated both into Spanish and Portugese. In Canada, AP transmits in French and Italian as well as English. UPI provides French and English services. Reuters and AFP distribute mainly through the Canadian national agency, Canadian Press (CP), in French and English.

All four agencies transmit in both French and English for Africa. Reuters, AFP and UPI tend to go through national agencies. Neither of the American agencies have substantial markets in Africa, and in fact UPI withdrew its service to West Africa in the early seventies because of bad debts accumulated by its clients in that region. AP still maintains its preference for independent distribution. In Kenya, for example, where it has only one main media client, the Kenyan national radio, it is the only one of the four agencies that does not go through the Kenyan News Agency (KNA). In the Middle East, Reuters now provides a full Arabic service translated (up to 1975) in Beirut; AFP provides a locally translated service in Egypt, but the translation is by the Egyptian agency MENA. Distribution in the Lebanon is independent for all the agencies but impossible in Egypt. In Israel AP is the only agency not to distribute through the Israeli news agency.

Services to Asia are generally in English, the nearest thing to a regional lingua franca. But French is also

used for Indochina. Distribution on the Indian sub-continent is through national agencies for the most part, although for AP and UPI at least this is because of political pressure and not choice. In Japan, distribution in Tokyo is direct for the national media in the case of Reuters, AP and UPI, but through the Japanese agencies for the provincial market. The global agencies do not translate into Japanese. Nor do they translate into Chinese except for local bulletins distributed in some Asian countries. In other Asian countries the situation is variable. As a general rule, AFP is the most inclined to distribute through a local agency; Reuters is normally willing to consider doing so on commercial grounds if it pays, which it usually does, and UPI increasingly takes the same attitude. Only AP puts up a real resistance although there is not much it can do against government dictate. The different attitudes towards distribution by the agencies as described above were very apparent in the course of interviews in 1973 with senior news executives in Malaysia when it was thought the government would require the global agencies to distribute through the national agency Bernama.

When a global agency for one reason or another distributes through a local agency, for the client this means a greatly truncated service. The advantage on the other hand may be that the national agency subscribes to more than one global agency and selects from them both, or all four as is sometimes the case. The standards of story

selection by the agency may or may not work in favour of the client's interests. A pilot study of the foreign wire of the U.K.'s Press Association for instance indicated that the British national agency may simply reinforce certain content imbalances of the Reuters and AP services to which it subscribes in its selection from their files, so that news of America and news related to British interests are given even more prominence than on the original wires, (see Ch.12).

The danger of indirect distribution for the quality of global news agency services on the other hand is that editors tend to structure the overseas wires with more of an eye to keeping the content simple and straightforward, so that it can be easily translated, than with providing as comprehensive a service as possible. The same danger is just as evident however when the agency itself undertakes the translation. A senior executive in New York's UPI office explained that incoming international news for the domestic market was easier to handle than outgoing news for the international market, precisely because greater care had to be given to presentation and language in the latter case.[37] This applied as much to news agency clients who translated the service for themselves as for UPI overseas bureaux which did the translation. The pressure is one of speed. Translation is laborious; it slows up the transmission process, and may hurt the agency's competitive position. In one way or another if a service has to be translated it has to be translated for all the agencies; the question

is: who does it? If the agency does the translation it can control the rate of translation by employing the right people; but if the client does the translation the competence of the translators may vary tremendously. Translation also costs money, and the more there is to do the more expensive it is. The most important immediate consequence is a drastic reduction in wordage. On Friday March 5th, 1974, for example, AP carried almost 54,000 words on the European 'A' wire, and almost 62,000 words on the African wire. The Paris wire on the other hand, which is translated into French by the Paris bureau of AP, carried only 24,600 words after translation, less than half the volume of the European and African wires. Many respondents testified to this effect of translation on volume.

Table 2.

Sales to Non-Aligned Countries by Three News Agencies

	No. of Countries.	AP		UPI		Reuters	
		Direct	Govt.	Direct	Govt.	Direct	Govt.
Arabic Region	18	5	4	5	8	7	10
Africa	41	2	3	1	-	5	27
Asia	14	2	4	1	3	3	6
Americas	9	8	-	7	-	5	2
Europe	3	2	1	1	1	2	1
Total	85	19	12	15	12	22	46

Note: The table illustrates in the case of non-aligned countries, the tendency for AP to resist indirect distribution where possible and the greater degree of direct distribution in the Americas. Note also the greater volume of distribution activity by Reuters in Africa and the Arabic region.

Source: Pinch, Edward T. (1977)[38]

Regionalization of News Services

Within the home markets of the agencies, with the exception of Reuters, fairly considerable attention is given to domestic regional news requirements. Only about a quarter* of AP's trunk wire is given over to international news; the rest is national or state. The 'B' wire, which carries less international news than the 'A' wire is very heavily state-oriented.[39] Within recent years (early 1970's) there has been a tendency for the American agencies to focus on problems concerning the provision of state and inter-state news, and this trend has been greatly facilitated by new computerized operations. AFP also makes special provision for the inclusion or regional provincial news to its French clients.

Overseas, the percentage of 'local news' on these three global agency services, or news referring to the country in which the service is distributed, is considerably smaller than the percentage of national and state news on their domestic wires. Generally it is almost non-existent. In some countries the global agencies have agreements with local news agencies that they will not compete with them in the provision of local news. In any case, they say there is no point in competing with the local press, which has superior news-gathering facilities and sources. If the global agencies were seriously to compete with local media as a general rule, they could be cutting their own throats since the local media, under pressure of competition, could cease

*but cf. note 2, p.957

subscribing to these services and look for others more compatible. There are a few countries in which the global agencies do actually compete with local media. The first of these is North America where Reuters has made a slight dent in the newspaper market with international and prominent national news. But Reuters' success with American newspapers has been limited; in any case, it concentrates mostly on Washington news. No American paper would depend solely on Reuters. The other principal country is possibly the second wealthiest media market in the world: West Germany. Here AP and Reuters gather and distribute German news as well as selling international news. Reuters does not try to cover more than the most important kinds of federal news. AP has a greater investment in covering news at a regional level but it is nowhere near as great as DPA's and few if any West German media would dare rely solely on AP.

In no other country outside South America is there any serious attempt to cover local news for local distribution that is anything more than the most prominent kind of national news, on which the global agencies might compete with local media in speed rather than depth. In South America there are a few countries in which the American agencies are important sources of local national news - in which they operate, that is, as national news agencies. This is due to the general absence of strong national agencies in South America, and to the weak, if prolific, character of South American media. In Chile the United

States agencies continued to perform this role even during the presidency of Salvador Allende. Allende did temporarily close down part of the UPI Santiago bureau in September 1973 because, he alleged, UPI had been distributing 'false and partial news taken from newspapers outside Chile' which gave a false picture of his government. The story he objected to was a report on secret meetings he was said to have had with left wing leaders in Ecuador and Columbia. The law, which was later rescinded, applied only to UPI's international service from abroad, not to the agency's internal services. AP operated an internal service in Argentina until the 1973 Peron government banned such services.

Instead of seeking to provide national news of the country in which it distributes to media clients of that country, a global agency has the option of providing international news which is of special relevance to that country. The extent to which this actually occurs may be influenced by the consideration of the revenue importance of the country in question. The provision of news of special area relevance, as a proportion of total news supplied, is rarely very high. In the first place, wires that are compiled in New York, London or Paris, are destined for huge geographical areas. AP's 'European' wire is designed for almost all of Europe and some of the Mediterranean area. In practice, AP 'regionalizes' its international wire to a very small extent only,* and senior news executives in London have said that this is

*cf.important corrective note,note 3,p.957

a specific policy decision. In the London bureau of AP, editors are supposed to insert regular regional material gathered from Europe and Africa into the flow of news from North America. But in the mid-1970's this has rarely been happening. In May 1972, AP reduced the editorial strength of its London bureau by between one quarter to a third when five U.S. journalists, three British journalists and one British photo-editor were removed, and not replaced. Staff shortages were blamed by a senior news executive in 1974 for a decline in the handling and transmission of regionally-gathered news to Europe and Africa.[40] This meant that New York was making the decisions about what news was suitable for Europe and Africa with the aim of creating a single world service; rather than London making the decisions with the object of composing a service adequate at the regional level. Regional additions to the world file from New York can also be made in Tokyo for Asian and South East Asian clients. Local news executives in 1973 deliberately underemphasized this function and gave the impression that relatively little was added in practice. One claimed that important news of specifically regional interest or of interest to just one country could be telexed to the appropriate bureau(x) for local insertion. But he also said this happened infrequently.[41]

Another consequence of the staff reduction in London in 1972 was that AP's wires to the United States from Europe

were reorganised so that some European news at certain times of the day went straight to New York for editing, without handling in London. This again removed the determination of criteria of relevance from the trained editors closest to the source, to New York. AP at this time was possibly worried at the introduction by UPI of a computerized multi-addressing system in London in 1971, accompanied by new editorial procedures which eliminated regional editing in favour of direct coding of dispatches at source for specific destinations. UPI's system increased speed of transmission, amongst other things, and this may have persuaded AP to try to reduce London's editorial role in the news-flow, although AP did not have the technological facilities of UPI at that time (it eventually introduced them in 1975) nor had its editorial staff undergone the same training for direct transmission. Whether UPI's new system has actually increased news regionalization is a moot point, but content-analysis for this study does indicate that for Europe at least, UPI's priorities are more regional than AP's,[42] (see Ch.12). Of all the agencies, Reuters and AFP are the most regionalized. The extent of regionalization on Reuters African wires has not been found to exceed 30%,[43] although Reuters, using a more liberal definition of 'regional interest' perhaps, claims higher percentages. All four global agencies appear to give particularly close attention, however, to North America and Western Europe, regardless of the destination of their wires, and this is explained more fully in Chapter 12. It is debatable whether this

emphasis reflects western market interests, or reflects the actual requirements of media in the developing world, or both. Even taking the figure of 30% regionalization of news, it has to be considered that much of this 'regional' material is in fact routine diplomatic material (meetings of dignitaries at airports, for example), or material which concerns the most dominant country of the region, (South Africa, Japan). So the extent to which news entering a country is of specific 'regional' interest to that country is even more limited than figures for regionalization would imply. But of course, definition of 'regional interest' is itself a hazardous enterprise.

Technical Communications Facilities

One further factor of inequality between domestic and some foreign markets concerns the technical quality of service reception by clients. The expansion of the American agencies in their early years is in part the history of communications in the United States, and in particular of cable communication. The same is true for the European agencies.

Between the world wars, the supremacy of cable was challenged by radio. The European agencies were particularly keen to exploit radio because their comprehensive services over vast distances to Asia and South America made it a very attractive medium. The American agencies also became involved with radio, but they retained a preference for cable wherever they could

afford it. After the Second World War the American agencies put down cable networks across Europe, and the European agencies followed. The introduction of telephonic cable in the early sixties heralded a new era for cable.

Outside Europe and the United States, however, the agencies continued to rely mainly on radio communications. Transmissions went out from London and Paris to Southern Europe (Greece and Turkey), the Middle East and Africa. The European agencies sent their services to the Far East, South-East Asia, Australasia and the Indian sub-continent by this method. The American agencies sent their transmissions to these parts of the world across the Pacific.

Radio transmission has a number of drawbacks: it is influenced by sun-activity and other atmospheric disturbances; Services can be disconnected for several hours. Messages in relatively good times are often garbled beyond recognition. One study of international news flow,[44] into Afghanistan through the national news agency Bakhtar, sole source of foreign news for media in that country, found the copy received was frequently garbled and unusable because taken by radio teletype. Although most of the copy used by Bakhtar was from Reuters, AP and DPA, in that order, the cleanest and most complete copy came from the New China News Agency, which was quite close by and had the strongest signal.

Two important developments have occurred since the war. In some parts of the world there is a switch to cable from radio. And there is a tendency to use satellite instead of ordinary radio. Major developments along these lines occurred during the late sixties and early seventies in the Far East and South East Asia. The net result is an improved quality of communication between this region and the northern hemisphere, and a dual set of communications within the region itself, depending on the state of development of the communications industry in each country.

UPI set up Hong Kong as a regional centre in 1972, just as the year before it set up Brussels as a European centre. Both centres were equipped with computerized 'message switching centres' to facilitate intraregional communications. In South East Asia, leased lines were established between Hong Kong and Saigon, Phnom Pehn, Bangkok, Singapore, Kuala Lumpur and Sydney. Radio communications were maintained as before for Korea, Indonesia, Burma, India and Pakistan. Hong Kong was linked with the United States by four cable and satellite circuits via Honolulu.[45]

Reuters developed a similar system from the time it established Singapore as a major regional centre in 1967. Singapore takes a trunk wire from London, and on the basis of this compiles a regionalized service, using copy sent in from other bureaux of the region.

This is sent out by cable to those clients who can receive it in this fashion. However, like UPI, many countries of the region taking Reuters still take a radio service. This is the 'Pacific Wire', which combines world and regional news, is put together in Singapore, filed to London via Sydney, and is then sent back by radio to India, Pakistan, Indonesia, Burma, Taiwan, East Malaysia and Korea.

AP and AFP have not gone over to cable to the same extent. AP is linked by cable between Tokyo and San Fransisco. An automatic relay system puts in-coming news into Tokyo on a radio distribution system for South East Asia. The Saigon bureau is exceptional in this network. The service is picked up by radio in Saigon, and there is a radio connection between Saigon and Hong Kong, from which Saigon is in cable communication with New York.[46] AFP's main service is received by satellite in Hong Kong, which puts together a regional service and this is sent out by radio-teletype to clients in South East Asia. AFP has exploited satellite communication further than the other agencies, partly by devising new communications routes that help cut the higher costs.

A substantial section of international agency clientele are still dependent on ordinary radio communication with all its imperfections. Satellite is superior to ordinary radio because the use of microwave communication between the earth and the satellite removes the dependence on the

ionosphere which is the source of many of the traditional problems in radio communication. Countries which at the time of writing are still subject to those problems in reception of agency services include many large territories in the Far East and South East Asia, many parts of Africa and the Middle East, and to a lesser extent, Latin America.

Eventually most countries of the world will be served by cable or by satellite for reception of agency services. It is difficult now to say whether cable will be superseded altogether by satellite.[47] Many respondents in this project, including communication specialists, believe that the two will exist side-by-side for the forseeable future, but that satellite will dominate in the end. Insofar as the forces which have inspired the development of satellites are North American and European for the most part, the agencies are once again bound up, by virtue of their dependence on communication networks, with the consequences of big power politics. The less developed countries will be the last to benefit from these technological advances in the reception of news agency output. They do not have the necessary reception equipment, and their agency clients do not have the money to pay the subscription charges which the agencies would certainly impose if the agencies themselves were to initiate this kind of service improvement.

Summary

In the case of at least three of the global agencies, therefore, clients who are located in the home territory of the agency or agencies to which they subscribe, enjoy a greater range and higher quality of service than clients located outside the home territory.

In the case of Reuters, the advantage in favour of the home market client is less obvious, but the location of Reuters Head Office in London, the character of its ownership and the British nationality of most of its senior news-gatherers and executives, might be expected to work in favour of Anglo-Saxon news requirements. The next chapters will look at the importance of the home market as revenue-base in the course of the agencies' historical development. The process of securing this market facilitated the international expansion of the agencies, but because the home markets in question were wealthy markets they attracted competition and were secured only after struggle.

1. Editor and Publisher, May 8th 1976, p.15. March-April editions of E & P are typically valuable sources of information about agency developments, since this is the period of AP's Annual Membership Meeting and UPI's Annual Breakfast for the ANPA Convention.

2. Schwarzlose, Richard A.: The American Wire Services : A Study of their Development as a Social Institution; Unpublished Ph.D dissertation, University of Illinois 1965 pp. 115-116.

3. ibid. Ch. IV

4. McBain, A.G. : Sir William Barnetson on Reuters, The Accountants Magazine, June 1973.

5. Failing Newspaper Act; Part I, 1968.

6. cf. U.K. Press Gazette, 29th May 1972;
   AFP Annual Report 1972;
   Reuters' Report and Accounts 1972.

7. According to senior London Agency executives of at least one European and one American agency. There is no evidence to the contrary. A USIA source reports that in 1974, foreign subscribers to AP accounted for 20% of the total budget of $82 million. See: Read, William H.: America's Mass Media Merchants; John Hopkins University Press, 1976, p.108.
   The same source reports that foreign clientele account for a quarter of UPI's annual revenue (ibid. P. 113).

8. International Press Institute: News in Asia; Zurich 1956.

9. Claude Marsan: L'Agence France Presse; Presse Actualite, Paris 1973.

10. Following figures come from AFP Annual Reports 1957-72.

11. Reuters: Annual Company Reports 1961-75.

12. Rene Meursault: L'Agence Reuter;Presse Actualite, Paris May 1974. These figures have been confirmed by senior executive Reuter sources in London.

13. Editor and Publisher; April 30th 1977, and previous E & P reports of UPI presidential statements at ANPA April Conventions in the post-war period.

14. Schwarzlose, Richard A.: (1965) op.cit. Ch. 5.

15. Figures computed from monthly issues of 'La Vie de la Maison' (AFP's house journal) in 1972, which focused on the different world regions.

16. Reuters: News Letter, December 1969.

17. Schwarzlose, Richard A.: op. cit. Ch. 5.

18. Elliott, P. and Goulding, P.: The News Media and Foreign Affairs; In R. Boardman and A.J.R. Brown (eds), The Management of Britain's External Relations; London, MacMillan, 1974.

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19. Schwarzlose, Richard A.: (1965) op. cit. Ch.5.

20. Garin, M.: L'Agence United Press International en France. Mèmoire de fin d'etudes: (internal document); AFP June 1966.

21. Editor and Publisher: Yearbook; New York 1974 pp.437-8.

22. Interviews with senior news executives, Philadelphia, April 1972 and Vienna, February 1974.

23. Editor and Publisher, 19th May, 1969.

24. ibid. March 11th, 1967.

25. ibid. April 26th, 1969.

26. Washington material gathered by interviews with senior news executives, May 1972.

27. Local news executive - Saigon. Interview, February 1973.

28. Editor and Publisher: 30th November, 1974.

29. ibid. December 7th, 1974.

30. ibid. August 23rd, 1969.

31. APME Red Book; 1971, pp. 106-7.

32. U.K. Press Gazette; 19th May, 1974.

33. Editor and Publisher; 1974.

34. Editor and Publisher; 12th October, 1974.

35. AFP figures which follow are taken from issues of the House Journal: La Vie de la Maison; 1972.

36. Interview with senior new executive, Brussels, December 1974.

37. Interview with senior news executive, New York, April 1972.

38. Pinch, Edward T.: The Third World and the Fourth Estate : A Look at the Non-Aligned News Agencies Pool; 19th session of senior seminar in foreign policy, U.S. dept. of State, 1977, p.2.
A 1976 source reports that AP was that year permitted to distribute directly in the following countries: Norway, Sweden, Denmark, West Germany, Holland, Belgium, Switzerland, Italy, France, Austria, Japan, Philippines, Malaysia, Hong Kong, Thailand, Iceland, Turkey. Greece, entire Middle East, all of Latin America, all of Caribbean, Africa.
cf. Read, William H.: op. cit. (p.105).

39. Hester, Al: An Analysis of News Flow from Developed and Developing Nations; Gazette vol. XVII, Nos 1/2; 1971.

40. Interview with senior news executive, August 1974, London.

41. Interview with senior news executive, Hong Kong, February, 1973.

42. In 1978 UPI spear-headed the introduction to London of its IS + R computer system which would greatly facilitate regional selection of stories from all world files for local distribution. This had been only available in the U.S. up to this time since its introduction there in 1974-6.

43. Harris, Phil: International News Media and Underdevelopment; (unpublished M.Phil. Thesis, University of Leicester, Centre for Mass Communication Research), 1975.

44. Snider, Paul B.: The Route of International News to the Press of Afghanistan through Bakhtar, The Afghan National News Agency; Gazette, Vol XIV; 1968.

45. Data on South East Asia, collated from interview evidence with senior agency executives in that region, Feb-March 1973. Development of satellite communication was rapid in the mid-to-late 1970's generally, and this section has validity only for the period of interview.

46. This evidence was obtained in 1973, two years before the communist re-unification of Vietnam.

47. A further important development that emerged as a real likelihood in the later seventies was the plan for a joint AP-UPI network of Satellite distribution in the U.S. domestic market, partly to combat increases in cable charges.

CHAPTER TWO: Domestic Monopoly - Britain and France.

The home territory of each of the global agencies is either the most important (AP, UPI AFP) or one of the most important (Reuters) sources of its revenue. In the course of their early development , the agencies faced two major problems with respect to the domestic market, which were, firstly, how to secure the best possible market position and, secondly, having attained that position, how best to contain actual or potential competition, whether external or internal to their national territories.

In Britain, as this chapter argues,[1] the key to Reuters dominant market position in the sale of international news was its relationship with the Press Association. A sympathetic but not necessarily an intimate relationship with the Establishment was of some importance, but not as useful a security as the shift to an ownership structure in which first the provincial press and later the national press were the major powers. In France, Havas achieved a dominant market position through its early involvement in the sale of client's advertising space to non-media clients, and its close relationship with the Government which secured State subsidies for its overseas activities at times of financial stress. Its successor, AFP, does not have the same connections with the world of advertisers and financiers as Havas, but does depend heavily on public or State clients for its overall revenue, and this also helps maintain its dominant market position.

Both Reuters and AFP experience some measure of competition on the home markets from both internal and external sources, but this appears to be more severe in the case of the French market.

(i) Reuters

Reuter had signed up most of the London dailies as clients for his service of foreign news before 1860. Very soon he also supplied some of the leading provincial papers. But provincial papers which did receive a supply of foreign news by telegraph mostly took it from Electric and International Telegraph Company. Electric and International subscribed to Reuters and distributed its dispatches; the selection and distribution was controlled entirely by the company. The provincial newspapers still did not receive their foreign news as speedily as the London press, because the primitive character of early telegraphic equipment caused delays. But they were generally unhappy with the telegraph companies in any case, and this was the main impetus behind the formation of the Press Association in 1865. The PA took over the collection of all British news, both from London and the provinces, and campaigned for the nationalization of the telegraph. This came about in 1870.

Reuters-PA

The Reuters-PA relationship is the key to the monopolistic position achieved by Reuters for the first eighty years or

so of its existence with respect to world news distribution on the UK market. In the United States and in France, domestic news agencies set up machinery for international news-gathering and distribution after they had established themselves at home. In the case of Reuters, the first important home market was the finance and not the newspaper market. Reuters, unlike the other global agencies, did not start as a domestic news agency for newspapers. But the domestic market was important to it nonetheless. Recognising the significance and the strength of the PA, Reuters was happy to enter into a co-operative arrangement with it whereby the PA received its service for exclusive distribution to many provincial clients and the PA in return supplied Reuters with its domestic news service. The exchange was not an equal one, and the PA made a substantial payment to Reuters, but at a greatly reduced rate by comparison with what it would have cost individual members separately. In the late 1880's, PA members were getting Reuters news for £3,000 per annum, whereas London papers had to pay £15,000. Reuters had initially wanted to charge the rate the telegraph companies had imposed, but the PA resisted such a return to what they considered exorbitant rates. The international agency retained the right to supply news direct to subscribers within a fifteen-mile radius of Charing Cross.

Through this arrangement, Reuters had established for itself a secure domestic market, without having to involve itself directly in substantial nation-wide news-gathering.

At the same time it maintained a direct relationship with the most lucrative end of the market: the national newspapers of Fleet Street. Since the P.A. undertook to rely solely on Reuters for its foreign news, the competition was taken care of to some extent by removing the possibility of a broad, national revenue-base for a competing news organization.

Domestic Competition

But it could not eliminate competition entirely. A second major domestic agency, Central News, was established in 1863, to offer 'general, parliamentary and sporting intelligence and other matters connected therewith', in addition to Stock Exchange prices.[2] From 1871 it also gathered foreign news. Although it had nothing to compare with Reuters' facilities overseas, and did not enjoy the same reputation for accuracy, it did compete seriously in the liveliness of its coverage. This may explain why the PA felt obliged to complain to Reuters in 1887 that some of its provincial newspaper members were beginning 'to think that Reuters was a channel for official messages rather than a news agency'.[3] The PA was concerned because Central News competed with it for domestic news. At home and especially abroad, Central News could afford to be more selective in the areas and kinds of news it wanted to cover, because it did not have the responsibility of producing anything that claimed to be a reasonably exhaustive service. In other words it could concentrate expenditure on the maximum revenue-producing news areas.

Reuters' relationship with the PA. was remarkable in the sense that it contributed to the strength of the provincial press relative to Fleet Street, yet in the long run did not alienate Fleet Street from the services of either Reuters or of the PA. The London newspapers did sometimes resent their dependence on Reuters news. No paper could afford to provide for itself in as extensive a fashion; and in times of war and similar catastrophe, important news sources had already discovered the advantage of speaking to the press as a whole through a single news agency reporter. Wealthier papers were more resentful of Reuters, because Reuters gave to the smaller, less wealthy papers something which before they could not have had. Being wealthy was no longer as significant an advantage as it had once been. The Times especially recognised this. Not only did Reuters give its competitors the kind of supply of foreign news which before only the Times and one or two other papers could provide, but the other papers were making life even more difficult by their successful applications of the techniques of popularization imported from the United States. The Times thought it could beat both Reuters and its competitors through supporting likely alternatives to Reuters news agency. The most successful of these was Dalziel's agency, established in 1890. This agency was an exponent of the American 'new journalism':

> 'Its main backing came from America, its methods were American, and it was from America that most if its news came.'[4]

By 1892, Dalziel had persuaded a number of provincial newspapers to switch over from Reuters by offering to

accept half the normal subscription to its service in the form, not of cash, but of advertising space - the method which Havas had employed with such success in France.

Dalziel's flame was intense but brief. Most of the agency's news came from America: this helped to make it popular, but not necessary in the England of that time since the rise of the popular press was still mainly confined to the news weekly and not so much the news daily. (The Daily Mail, first of the mass circulation popular dailies, began in 1896, well after Dalziel's decline.) Reuters offered a global, and in particular an imperial news service which Dalziel hardly began to match. Dalziel had a poor reputation for accuracy, and scored only on sensationalism. The Reuters-PA alliance was too strong in any case: the importance of a reliable and comprehensive foreign news supply to provincial papers was far too great for them to risk losing it for what was in effect an agency of a fairly specialised character. Patronage of Dalziel by the PA would have contravened the conditions of contract whereby Reuters' service was supplied.

The competition from Central News and Dalziel did not therefore change the basic client support for Reuters-PA but did succeed in inspiring a superior performance from these established agencies. PA and Reuters clients now demanded a livelier coverage, the kind which today is loosely described as 'human interest'. In reply especially to Dalziel's increasing success, Reuters launched a 'Special Service' and the PA contributed half the cost.

The Special Service was offered to papers in addition to the regular service, and covered what was considered to be more interpretative and more sensational matter. Incidents were now to be covered which before Reuters might have ignored, including wrecks of liners and steamships, 'calamitous' railway accidents, fires and explosions 'involving serious loss of life', destructive earthquakes, cyclones or inundation, startling crimes and outrages, popular disturbances, illness or death of famous personages, and assassination attempts on monarchs or statesmen.

A third competitor, Extel, established in 1872, also maintained foreign correspondents in important news-centres and whose numbers increased in times of major crisis. The Extel service circulated mostly to the metropolitan press, and usually as a supplementary to Reuters. It was of more concern to the PA and to Central News, especially in the fields of financial and sports reporting.

Relations with the Establishment

Second in importance to the Reuters-PA relationship in establishing Reuters on the home market was the agency's relationship with the Establishment. The process of becoming established was not simply a matter of finding clients, but also of winning the respect and the favour of important news sources. This was especially a challenge for the original Paul Julius Reuter who was, after all, German. Yet by 1871, not much more than a decade after

the agency first began to supply newspapers, its founder had been elevated to the status of Baron, and was later to receive from the Queen a Royal Warrant which gave Baron Reuter and his heirs the privileges of the Foreign Nobility in England.

Reuter supplied his services to the Queen and her ministers free of charge. In return he no doubt won many informal concessions in the receipt of early intelligence, but there was little in the way of a formal relationship, and Reuter would have wanted to maintain his independence. In 1857 he won the temporary privilege of receiving copies of Foreign Office telegrams in return for early intelligence of the Government's official news. In other territories, Reuters' correspondents often enjoyed close ties with the ruling political and business elites. But the British Government had no wish to change the agency's status. Closer involvement might have been embarrassing - in Reuter's struggle for the Iranian railway concession for instance, the Government maintained a very cool and non-supportive attitude.

A number of factors conspired to jeopardise this balance between government and agency. The first was the state of the agency's finances, which were less healthy after the 1900's than before, and this inspired a search for alternative means of support. By then the very longevity of the agency, its established position with the London press business community, and Government departments meant

that its ailing economic position became a matter of concern to the Government in foreign relations, as it certainly did in the First World War. With respect to the relationship between Government and agency, the policy of Roderick Jones, who took over executive control after the death of Herbert Reuter in 1915, was less cautious than Julius Reuter's had been.

The initially secret purchase of Reuters by Roderick Jones was a partial solution to the agency's financial difficulties, especially after the failure of its ventures into banking and financial advertising. The move occurred with possible Government encouragement as a way of avoiding a takeover by American interests or even by Marconi, who was thought to be interested. Financial difficulty also helps to explain Reuters' role in the First World War. Reuters agreed to disseminate official Allied communiques and news to neutral countries, the British Empire and Allied troops. This service was barely distinguished from the regular service by a change of prefix from 'Reuter' to 'Agency' or 'Agence Reuter'. The Government financed the new service by paying the transmission costs of the telegrams., which amounted to £120,000 per annum, and contributed to the material expansion of communication facilities. Roderick Jones accepted a post in the Department of Information, supervising its cable and wireless services, while maintaining his function as Managing Director of Reuters. Later, one of the directors of the Reuter's board, John Buchan, left it in 1918 to become Director of Intelligence

in the new ministry formed out of the Department under Lord Beaverbrook. Roderick Jones, who by this time had been given a knighthood, was asked to become full-time Director of Propaganda. He accepted the post without remuneration, but did not consent to handing in his formal resignation as Reuters' Managing Director. Questions were raised in the Commons alluding to this dual responsibility, and in the same year Roderick Jones resigned from the Ministry due to ill health.

The War had demonstrated both the importance of Reuters to the Government at a time of crisis, and the willingness of its Board to share responsibility for Government objectives at such a time. The relationships and outlook nurtured in those days seemed to continue into the post-war years. Government ministers, and even the Sovereign, were to express concern in these inter-war years about the role of Reuters in disseminating British news in competition against propaganda agencies of other countries. Roderick Jones seems to have encouraged this fusion of interest between Government and agency. Discussion between Reuters' executives and the British General Post Office in this period, concerning the wireless broadcast of news throughout the world, often alluded to the agency's responsibility for the 'national interest', a responsibility which Reuters was willing to affirm if only in order to obtain material concessions in rates and the goodwill that would follow a coincidence of values.[5] The Post Office also stood to gain from increases in the volume of international traffic.

In the 1920's, Reuters and the Post Office experimented with wireless telegraphy as a means of transmitting the commercial service, and by 1929 Reuters was sending its first continuous service of general news by radio to Europe. That year Reuters approached the Post Office for help in combatting European competition in the field of financial news, by a favourable rescheduling of rates. In considering this request, the Post Office wrote that it would be 'in the national interest' for Reuters' request to be granted. In 1931, the European News Editor, Mr. Murray, argued with the Post Office that it should accede to Reuters' requests for further tariff concessions in order to help Reuters combat the growing competition of the American agencies. The Post Office informed the Accountant General that the 'establishment of a world-wide news service for this country is undoubtedly very desirable from many points of view'.[6] Planned rate increases were indefinitely postponed; and if they were not lowered this was possibly because to have done so might have benefitted some of the less powerful but less desirable domestic competitors such as Central News, which was linked with the Central News of America and had American backing (Central News was also involved in a radio news service run in conjunction with a Dutch wireless station the operation of which the Post Office had considered to be in opposition to Britain's best interests), or Extel which supplied UP with British news. In 1935, Mr. Murray, in conversation with Post Office officials, 'stressed the value of the Reuters service to Imperial interests and suggested that the services should

be regarded as supplementary to the Foreign Office Press and charged for accordingly'.[7]

This particular request was not successful: the Post Office did however help in rather more subtle ways, as on another occasion when it reported:-

> 'It has been brought to the notice of the Department in other papers that much anti-British propaganda in Arabic is being sent by wireless from Italy for reception in Palestine and elsewhere and it would no doubt be in British interests that the Reuter Commercial Wireless Service rather than an Italian service should be received in Palestine.'[8]

Roderick Jones for one was gratified for such assistance, when in an address in 1932, which was recorded in the Post Office Minutes, he claimed that

> 'Without the British Post Office we should never have been able to establish the system which we have now established, and if we had not, this country, instead of being the seat of a main distributing force in the world for all classes of information....would have been subordinate to the foreigner.'[9]

New Ownership Structure

In practice this low-profile agency-government relationship was insufficient to assuage the agency's growing insecurity during the inter-war period (cf. historical account in 'Introduction'). A different kind of solution was sought to consolidate the agency's market position at home and to improve or at least bring about, its profitability. Jones' tendency to look to the Government for support in solving the agency's problems was to prove his personal downfall but may have precipitated the final actual solution. Continued financial deterioration during the

'thirties probably encouraged Jones to enter into secret negotiations with the Government on the eve of the Second World War that would have given the Government some control over senior appointments. Press concern arising from this development was an important contributory factor in the eventual decision of the Newspaper Proprietors' Association (NPA) to become joint owners of Reuters along with the PA and Commonwealth press associations.

Roderick Jones had travelled half the way towards this solution in the inter-war period by bringing in the PA as part-owner. His purpose in doing this was to establish a firm capital base for the agency, which the strategy of maintaining good relations with the Government never did succeed in doing itself. At the same time he also offered 50% control to the national papers, represented by the NPA. The NPA did not respond positively on that occasion (1926), partly because Jones was unsympathetic to suggestions from some NPA members that the news operations of the agency should be separated from its commercial news services. The Second World War, preceded by the scandal of Jones' approach to the Government, created the right climate for the NPA's participation, and the present ownership structure was established in 1946 (although the Press Trust of India later withdrew).

This arrangement merely tightened the alliance which had always existed between Reuters and the PA. But whereas Reuters before the war had continued under the effective

control of Roderick Jones, despite the participation of the PA-appointed directors, the post-World War Two solution promised more democratic control. Bringing the national papers into part-ownership tightened up that end of the market in Reuters' favour. Competition which had existed before the War certainly had a less favourable outlook after the War. Central News had disappeared during the thirties. It was supported for some years by Extel which had feared it could other wise be taken over by foreign interests (the principal stockholder of Central News had been American) detrimental to the interests of other domestic agencies. But after World War Two it was divided between Extel and the PA. Extel itself has virtually disappeared from general news-gathering. It informed the Royal Commission on the Press in 1948 that although most of its revenue came from non-media interests, its primary purpose was the general news service. In 1965 however, it divested itself of most of its news-gathering activities with the claim that these could not be made to pay, even though it was then making a handsome profit from its racing service to bookies following the legitimation of off-course betting in 1961. Today (1975) Extel's news interest is mainly confined to sport, (racing in particular) and a specialized financial news service.

Competition from other Global Agencies

The other major source of competition has been the rival global news agencies. Well before the Second World War, the foreign news service of UP had reached the British

market through its English agent, British United Press. BUP was actually financed from Canada, where UP, as in Britain, eventually took it over. BUP's first English client was secured in 1927, and before the Second World War claimed a total clientele of seventy. Most of its staff were English, and some of them later rose to senior positions in Reuters. Its attraction was faintly similar to the earlier Dalziel's agency: it was North American, popular in tone, heavy on human interest content, rather brash. UP's significance in the post-World War Two years is probably less now than it was. The nature of UPI's service approaches that of the other major agencies more closely, while Reuters has left behind its 'official' image of the thirties and the pattern of its ownership has secured it greater domestic support. The PA, by arranging with the other American agency, AP, to distribute an edited version of AP's service to PA clients (PA takes the AP service in return for supplying AP with its own), has succeeded in containing the competition posed by both American agencies. The proportion of AP to Reuters news that appears on the PA wires is only about 10%, but this is sufficient to provide clients with a reasonable semblance of variety. The arrangement also means that AP does not distribute directly to provincial newspapers, and that there is not a great provincial market for UPI - which does however sell to the London offices of some of the provincial newspaper groups. The other attraction of this arrangement is that through the PA-AP arrangement the provincial press is given relatively cheap access to foreign news pictures,

which Reuters does not provide, without upsetting the provincial newspapers' major allegiance to PA-Reuters.

The situation in 1974, as monitored by the author in a questionnaire survey,[10] was that every single national daily media organization in Britain including the two major broadcast organizations, BBC and ITN, subscribed to Reuters general news services - fourteen altogether, of whom at least five also took Reuters' economic news services. Thirteen also took UPI, of whom nine took UPI's picture service; eleven took AP, of whom eight took AP's picture service, and five took AP-Dow Jones, the jointly owned economic news service. Only two organizations subscribed to the fourth global agency, AFP. For domestic news all subscribed to the PA, one of whom also took Extel. Neither American agency covers the U.K. market for U.K. clients. For the provincial press, the PA's selection of Reuters and AP is by far the most important source of foreign news: the combined wordage of these two organizations is reduced to less than a quarter on the PA wires, and much less than this of AP's total alone. Competition from other global news agencies does not appear to have hurt Reuters financially, inasfar as British media appear to take other agencies to complement rather than substitute Reuters, although it might be argued that Reuters' exploitation of the advantage of market dominance is restricted by the presence of competition.

The control exercised by Reuters over the supply of U.K.

news to overseas clients is less than that of AFP or of the American agencies over their domestic news supply because, of course, it is not as heavily engaged in domestic news-gathering. Reuters and the PA share the same building in Fleet Street. This, and their formal relationship gives Reuters privileged access to PA wires and files, and there is some mobility of personnel between the two organizations. The present, (1975) Editor-in-Chief of the PA, for instance, held a senior editorial appointment in Reuters previously. Reuters does not depend entirely on the PA. It has its own U.K. desk in London which compiles a U.K. report for distribution to Reuters clients overseas. This report is similar to the report put out by agencies from other capital cities: it concentrates very much on metropolitan sources and 'national' news. Of the nineteen journalists employed on the U.K. desk, three spend most of their time on coverage of parliamentary events of particular interest to foreign clients and their function therefore bears some resemblance to UPI's International Desk in Washington. There are also specialists in finance, diplomatic affairs, Commonwealth and African affairs. Until 1972, the bureau produced what was known as the Correspondents and Executive Wire, a synopsis of foreign and domestic news for foreign correspondents and businessmen in London. This service was later taken over by the PA which argued that Reuters had no contractual authority to distribute U.K. news within the U.K. The U.K. desk of Reuters takes the PA wires but its news, intended for overseas distribution, is naturally different in emphasis from the PA's. It tends to concentrate

on U.K. stories of specifically foreign interest. Much of this material is fed directly into the international distribution system with little or no extra editorial interference at the computer face, signifying the relative autonomy and importance of the U.K. desk.

Specialists from the U.K. desk probably enjoy privileged access to news sources in comparison with the other global agencies. For example Reuters is included, naturally enough, as a British news organization by the Foreign Office, and Reuters correspondents join the group of British agency representatives at Foreign Office briefings each afternoon, whereas the French agency AFP has a briefing three times a week, and AP about as often. UPI did not send representatives at the time of interview, possibly because it had not asked for the facility.[5] It is generally agreed that national agencies generally enjoy better relations with official sources of their own country, although Britain seems to be considered more 'open' in this respect than France, but less so than the United States.[6]

The alliance between the PA and Reuters has lasted for over one hundred years. It helps explain how Reuters established itself on its home territory; it is a major feature of the British daily press, a forum in which the common interests of national and provincial papers are expressed; it is a relatively cheap source of supply of much domestic news to Reuters, and of foreign news to provincial papers. Each organization has assisted in the survival of the other. But it is not all-important: the

main owners of Reuters, NPA and the PA, do not provide the kind of support provided AP by AP's members, for example. It may be co-operatively owned, but it does not function as a co-operative in the way that AP does. Clients for financial services are more important in the U.K. than media clients for general news services as sources of revenue.

It could be argued that without the PA's marshalling of the domestic market, the impact of competition from other domestic agencies and from the rival global agencies both before and after the Second World War might have been much more harmful to both Reuters and the PA. This is probably true. One possibly undesirable consequence of this situation today is the virtual monopoly on national news enjoyed by the PA which is the only organization that feeds a 24-hour news operation by teleprinter through to clients up and down the country. It concentrates very much on national news most of which originates in London, where nearly all its correspondents are based. Provincial news is increasingly left to local provincial newspapers usually operating as monopolies in their own circulation area, and by an odd assortment of some seventy local news agencies of very mixed quality and character, few of which employ more than half a dozen full-time correspondents.
A further consequence of the PA's monopoly position on the domestic market is its strategic position in the event of a dispute between the journalists' union (NUJ) and any given media employer. In a clash between the NUJ and the

publishers of the Birmingham Post and the Evening Mail, in the Autumn of 1975 for instance, the NUJ sought to bring pressure to bear on the PA to suspend its regular services to those newspapers. While the PA refused to suspend its regular services (and claimed that suspension would be technically impossible in any case), it did say that no special reporting assignments would be accepted from the papers involved for the duration of the dispute, although such assignments are a normal feature of PA work for those of its members who wish to pay for them. Growing militancy of some PA journalists indicated that this kind of problem would be exacerbated in the future. It is conceivable that in a situation of greater domestic competition between agencies, agency journalists might be less tempted to act in concert over union issues. Greater competition might also improve the quality of news service provided by PA.

(ii) Havas/AFP

For Havas the techniques of market consolidation were not dissimilar from those of Reuters; however Havas was able to secure a particularly lucrative slice of advertising revenue, as well as a closer financial alliance with the government than Reuters ever achieved or desired.

Havas bureau began in 1832, and became L'Agence Havas in 1835. The 1830's were a time of political repression for the press, but two cheap journals appeared which required the kind of information Havas was in business to

provide. These were: La Siecle and La Presse, which emphasised world-wide coverage and speed of information delivery. Charles Havas, 52 in 1832, had been a financier and had lost his fortune after the Battle of Waterloo. At first his agency functioned like many others before it and like another agency founded in 1832: Correspondance Garnier, which extracted articles from foreign papers and sold them to the press.

By 1840, having swallowed up a number of rival agencies, Havas was strong enough to merit mention in an article by Balzac who claimed that the apparent multiplicity of papers in Paris and the provinces could really be reduced to just one man: Havas. He first began selling to the Government in 1840, for whom he provided a special bulletin. The success of this contract and his activity in the gathering and distribution of financial news were the major contributors to the agency's rapid growth. Some of his earliest colleagues included none other than Julius Reuter and Bernhard Wolff (founder of the German agency of that name). Havas was the major domestic agency by the time the electric telegraph was introduced to France (before, he had used optical telegraph and pigeons), and the first to rent telegraph facilities from the State (which controlled the telegraph and could censor messages if it chose), on an appreciable scale.

When the English and German agencies came into existence Havas was quick to make arrangements with them for the exchange of financial news. Since each agency had a

virtual monopoly in the international distribution of its domestic financial news, this was a very pwerful asset, and one which was consolidated by the eventual formation of the European agency cartel in the fields of both financial and general news.

By 1857, in addition to supplying most of the Parisian newspapers, Havas also had about two hundred provincial newspaper clients. No co-operative like the PA appeared in France. French newspapers did not go through the English and American experience of dependence on commercial telegraph companies, which had prompted the formation of domestic agencies in those countries. In France the telegraph was a virtual state monopoly, and Havas was the first agency to use it. The press had no immediate reason to be dissatisfied with Havas' service, since it was tailored to newspaper needs.

In 1857, Havas promoted an idea which was to consolidate his strong position on the domestic French market. He made his first venture into advertising by the sale of official government advertisements and announcements to his newspaper clients. This was an attractive source of revenue for them which helped cover the cost of telegraphic expenses. The idea was extended over time. Clients now sold Havas some of their advertising space in return for his news services. In the beginning, the available space was especially exploited for sale to banks and credit institutions for their reports and announcements.

Very soon the provincial and the Parisian press looked to Havas to secure much of their advertising revenue, and also as a cheap source of Parisian and foreign news which could be supplied over the telegraph at a rate far below what it would have cost them separately to maintain their own Paris offices (though some continued to do so), and rent their own communication facilities (Havas rented telegraph space in such volume that it could act almost like a private company).

The development of Havas' advertising operations is described at greater length in Chapter 6. It suffices to say that by the mid-thirties Havas controlled four major Parisian papers and many but not all provincial dailes through its manipulation of non-local and financial advertising.

Domestic Competition

France is a larger country than England, less dominated in press terms by the metropolis (partly but not entirely because Havas helped make the provincial press strong in raw news material), and perhaps more culturally diverse. There was always some competition from domestic press sources, but never enough to be considered a serious threat. Client requirements for a more elaborate service than the basic spot news notification function were taken into account by a special service from Paris for those who wanted distinctive political commentaries. This idea was rather similar to the Reuters Special Service. Like Reuters, Havas also had to contend with Dalziel's American agency.

This may have been a more worrying intrusion on the French than on the English market, since the early nineties were a poor period financially for the French press: many papers died and Havas' revenue from news and advertising declined. On the other hand there was not a great deal of sympathy for the agency among Paris newspapers, some of whom accused it of insiduous Anglo-Saxon political motives. Most virulent in its attacks on the agency was La Cocarde, associated with the nationalism of Boulangism, and which had especially close ties with Havas. Dalziel's success in France was as short-lived as it was in Britain.

Much of the competition appears to have been concentrated in the provision of stock exchange prices. In Britain, Extel secured an early exclusive contract for this information in the 1870's and Reuters, which had initially taken it direct from source, thence took it from Extel. In Paris no single organization won an exclusive right to distribution, which meant that the market here was open. Henri Houssaye, then in charge of the Havas telegraphic service, wrote to a colleague in 1871 concerning a competitor:-

> "L'agence Continentale is nothing. You know that anyone can find out and telegraph the stock exchange quotation list, and set himself up as an 'agency' with no-one to say him nay; this is the case with l'Agence Continentale..... which just like us has the means to telegraph the exchange quotation list."[13]

This was also largely true of a later entrant into the field, l'Agence Fournier, established in 1919 to compete

with Havas, and which took a foreign news service from UP in partial exchange for its service of French news. This was eventually taken over by Havas. It specialized in finance, dealt mostly with Parisian clients and did not distribute by teleprinter. Much the same applied to l'Agence Economique et Financiere. There was some competition in the provinces which does not seem to have fared long, or which never became more than local. One such competitor was l'Agence Ewig, which tried to operate in a fashion similar to Havas. In 1881, this agency took a half-ownership of a newspaper in Le Havre: La Depeche Havraise, at a cost of 10,000 francs. The agency, which undertook to guarantee a similar sum whenever required by the paper, enjoyed the exclusive lease of local and non-local advertising copy. Advertising revenue was divided between the agency and the paper. Unfortunately the paper survived only a year before being suppressed by the Mayor of Le Havre. A year later l'Agence Ewig tried to sell its services to the largest Lyonnais paper, Le Lyon Republicain. Since Havas had enough money to lease its own telegraph wire from Paris to Lyon and Marseille, the smaller agency made little headway and shortly afterwards dropped out of the race. Not having the early advantage of a tidily-marshalled provincial market as was the case of the co-operative PA in Britain, Havas undoubtedly had to fight hard in these years, and one consequence of this may have been a financial shrewdness which later earned it discredit when the domestic market had been finally conquered.

Havas's tight market control after World War I made life difficult for the American agencies in the inter-war era. American attempts to penetrate were not successful and of short duration:

> "Les agences etrangères essayèrent timidement et en vain de vendre leurs services à des journeaux (entre autres United Press et International News Service) sans autre résultat que des expériences de courte durée."[14]

Relations with the Government

Havas, like Reuters, began as a straightforward commercial operation. It experienced no pressing economic difficulties to encourage dependence on the government. Whereas Julius Reuter chose to give away his service to ministers at first, Havas sold his. Havas's unofficial relations with the French government grew out of financial greed rather than poverty. The prize was a monopoly on government information sources, and on government advertising revenue.

In the 'twenties and 'thirties, the agency accepted government help in the distribution of news overseas. The French government, like the British, was increasingly engaged in a propaganda war prompted by the introduction of radio transmission, and saw Havas as a key weapon in the battle, which was for trade markets as much as anything. Havas was accountable to many different pressures: foreign agencies with which it had exchange relations, the French government, Havas officials, and the Banque de Paris et Pays-Bas which had financed part of the agency's

expansion after the First World War.

> "In its efforts to offend no one, Havas sometimes used credit lines which concealed the source of the information... There were times when more complete information was sent to foreign services than to French newspapers."[15]

This source concluded that Havas

> "during most of its history, was extremely close to the French government. It was 'healthy' for Havas to respect government wishes. News going out of France was released by Havas through government channels, which permitted the French government to 'color' foreign news when advisable. Galtier Boissiere asserted that Havas was officially responsible for disseminating government propaganda. Havas was used as intermediary in relations of the French government with French public opinion and with foreign governments. If a political or diplomatic manoeuvre was revealed prematurely, a denial by Havas often carried the same weight as a government statement. The government also used the agency for 'trial balloons' to test public reaction to contemplated moves. Although Havas received no open subsidization, the government was one of its best-paying customers in getting news services for government employees and colonial papers. In 1931, for instance, the government payments to Havas totalled 36,000,000 francs."[16]

Birth of AFP

The situation for AFP after World War Two so far as dependence on government revenue was concerned was similar, except that the advertising business was no longer associated with the news agency, and the significance of revenue from government sources therefore seemed all the greater. But if government control was greater, there was also a more open market and more competition on the home market.

The war years saw the demise of Havas as a news agency, and the emergence of the nucleus of the post-war AFP. The War does much to explain the character of AFP and its position on both home and foreign markets. Most important of all is the situation of political fragmentation in which it was created, and this has had a seemingly permanent effect on the outlook of AFP employees and the kind of news service they produce.

At the start of the Vichy regime, the old Havas ceded to Office Francais d'Information. This agency was dependent upon the government for 90% of its revenue. Strangely[17] OFI never became as strong a monopoly in France during the War as Havas had been before it, since it was one of several official and unofficial news and propaganda services under Vichy and because its activities were subservient to the strategies of the Germans. OFI exchanged news services with its Franco-German equivalent in the Northern zone, Agence Francaise d'Information de Presse (AFIP), until under an agreement between OFI and the German news agency DNB, OFI assumed the management of AFIP. The other German agency, Transocean, had an exchange arrangement with a private French agency, Inter-France-Information (IFI), which distributed Transocean's foreign service to provincial papers.

In London meanwhile, ex-Havas journalists established L'Agence Francaise Independente (AFI), and others organized a French-language radio service with the co-operation of the BBC. AFI co-operated with British

official information services and with Reuters. Ex-Havas correspondents abroad were divided as to whether they would work with OFI or with AFI, depending either on personal choice or political necessity. A non-Gaullist branch of AFI emerged in Algiers (AFA). When AFP emerged after the war, therefore, it contained the seeds of numerous factional possibilities: collaborationist OFI against non-collaborationist AFI journalists; Gaullist against non-Gaullist; communist against non-communist.

AFP began in political strife, as Agence France Independente. In March 1944, the French Consultative Assembly placed a Gaullist, Gerard Jouve, at the head of AFI (which had recently agreed to work in conjunction with the other Free French agency, AFA), and this caused a renewed split between AFI and AFA, with many resignations from AFI. In July of that year the Assembly gave to what it now called the 'French Information Agency', later called Agence France Presse, the sole right of circulation of foreign news, and imposed a ban on the formation of other French agencies. This killed off the remaining nucleus of AFI which had no independent finance, and caused a cry of protest from the British and American agencies, which had been planning to cultivate the French market after the liberation. UP's John Degandt for example, had worked his way up from Cherbourg to Paris via the underground before the liberation to set up office there with five Frenchmen and four translators who helped him put out a service in French while he worked out tentative contracts with newspapers which had not even been licensed by the Provisional Government.[18]

Reuters and AP severed their connections with the new French agency in response to the government decree.

In September 1944, Jouve was replaced by Leon Rollin, who told AP's Managing director, Kent Cooper, that AFP would be modelled on the lines of AP. Possibly in response to American pressure (America provided most of AFP's equipment in the earliest years) the Assembly lifted the ban on foreign agencies. Rollin was shortly afterwards forced to resign under pressure from the Communists and was succeeded by Claude Bourgeon. Under Bourgeon it was decided that the agency would have a civil identity, financial autonomy, and its losses (200,000,000 francs in the first year), would be covered by the Government. In April 1945, Bourgeon, an anti-Gaullist, was replaced by Francois Crucy, an authoritarian man with a mysterious 'double agent' reputation from his pre-war years in Bucharest. Crucy was replaced by Maurice Negre in December. The government had promised to turn the agency over to the press but this never came about since the press was too weak financially to support it. Negre was succeeded by Paul Louis Bret in 1947, an anti-Gaullist who passionately believed in the agency's responsibility for objectivity, and who had proposed a system whereby AFP would be funded from community money collected through a tax on newspapers. The government came near to accepting this, but eventually rejected the proposal. It finally decided that the money should come from the agency's commercial receipts, and that any deficit would be made up from an annual 'national

contribution'.[19] Negre was reappointed in 1950 and held the office of Director-General for four years, until replaced by Jean Marin in 1954 who was appointed President Director-General under the agency's formal constitution in 1957, and who stayed until 1975.

The frequent change of AFP Director-Generals in the post-War period mirrored frequent changes of government. The situation of political instability made it seem all the more desirable that there should be 'institutionalized' spokesmen of France abroad - not necessarily to spread French propaganda but simply to make the voice of France felt in the international arena.

The 1957 constitution put an end to the provisional status of the agency, and made it into a co-operative controlled by a Director-General who was elected from a board made up mainly of French daily newspaper directors holding eight out of fifteen seats. The remaining seats went to ORTF (2), public service clients or ministries (3) and AFP employees (2). There was no purge however of pre-1957 personnel, and there was criticism of the new arrangement whereby the Director-General alone had the power to appoint the Chief Editor who was to have overall editorial responsibility.

Competition from the Global Agencies

AFP very quickly regained its newspaper clients after the Second World War, both at home and abroad. This was partly because of privileged access to government inform-

ation; and because international cable networks and domestic networks to provincial newspapers were made available to AFP rather more quickly than to the other agencies. But at home it was obliged to accept the competition of the American agencies and of Reuters. All three of these soon had French-language services operating in France. AP's was the most extensive French news-gathering operation; Reuter and UP found it convenient to subscribe to AFP's domestic news service. In other words, Reuter and UP tried mainly to sell their services as supplementaries to AFP, concentrating on translated international news, while AP tried to compete in French news as well. By 1946, every daily paper in France received one or other of the American services. AFP tried to contain this competition by an unsuccessful proposal for an exchange arrangement with AP, on condition that AFP would have the sole right to distribute AP news to French papers. The political conditions in which AFP emerged did not earn it much confidence amongst French proprietors in its early years:

> "As I made the rounds of Paris newspaper offices and asked about the new AFP, Agence Francaise de Presse - several editors shrugged their shoulders and whispered to me 'plus de propagande'. They insisted that even though they might take AFP, they must have the complete world news service and the objective reporting supplied by American agencies."[20]

AFP was not only discredited at home, but the post-war experience formed a strong negative impression in Anglo-Saxon and American journalistic minds, eager as they were to accept this image, which remained current long after the reality had improved, and perhaps adversely affected AFP'S sales chances in the difficult markets of North

America and Britain permanently. By the time of the Algerian war, when AFP openly maintained an independent and impartial line despite government pressure to the contrary, French press confidence in the agency had been greatly restored. No French newspaper could afford to be without it, because like any national agency it had privileged access to important news sources who generally released information to AFP first for foreign agencies to pick up from there.

As AFP's service improved - greatly propelled by the need to provide an extensive foreign service and so undermine the main reason for press subscriptions to the American agencies - so the clients for American services dropped in number. But in 1965, UPI in France still sold to most Paris dailies, many of the leading regional dailies, two radio stations (Europe 1 and Radio Luxembourg), L'Elysee, Quai d'Orsai, and some African embassies. There were two clients for its English-language service: The New York Herald Tribune and the New York Times. AP in the early 1970's sold both news and photo services to most of the larger circulation papers (100,000 plus), and photo services only were taken by many of the smaller papers. Reuters and UPI both stopped depending on AFP's domestic service in 1972-73. Reuters struck up an exchange arrangement with a smaller agency, Agence Centrale Parisienne de Presse (ACP), and UPI with another smaller agency, Aigles. This was an attempt to cut news-gathering costs (by dropping the purchase of AFP's domestic service)

and to increase editorial independence (through greater investment in direct news-gathering). An economic recession was beginning and several papers were dropping one or more subscriptions to international agencies. France-Soir for instance stopped taking UPI news, but continued with UPI photos. Reuters distributed less extensively than the other international agencies. Its main clients were the leading Paris dailies - in addition of course to clients for the economic services - but its arrangement with ACP meant that some Reuters news went to the provinces through the smaller agency.

Independent Provincial Agencies[21]

The appearance of new domestic competition since the War caused some apprehension at AFP's Paris Head Office, primarily because both Agence Centrale Parisienne de Presse (ACP) and Aigles have close links with powerful provincial newspapers, and this despite the attention AFP has given its provincial market through its tailoring of services for regional needs. ACP was founded in 1951 by Gaston Deferre, Mayor of Marseille, and based on the co-operative endeavour of a northern newspaper (Nord-Matin) and a southern (Provencal) which agreed to have a common editorial office in Paris. Its growth was slow and in the early seventies had not many more than twenty newspaper and broadcast clients. Regional daily newspapers own over fifty per cent of the agency's shares. News-coverage is mostly domestic but extends to North Africa. Clients receive the exclusive right to ACP's service within their

circulation areas, although the degree of exclusivity has been relaxed over time. The agency subscribes to Reuters world service and also provides Reuters with some news of France. ACP also subscribed to AFP, but in 1972, when Reuters ceased taking AFP, AFP decided to drop its contact with ACP. Otherwise, Reuters might have had free access to AFP's service through its arrangements with ACP. ACP's aim is to provide a service more in line with specific requirements of its clients than AFP's general service for provincial media. For this reason, editing and rewriting occupy proportionately more time than hard new gathering and transmission. Its world news dispatches, according to ACP sources, tend to be more precise than AFP's and designed for immediate use by the client rather than for further editing. Foreign assignments for ACP reporters occur in response to specific regional press needs. Otherwise most of the foreign news is of the 'round up' variety.

L'Agence d'Informations Generales, Locales, Economiques et Sportives (Aigles), was initially created as a news photo and feature agency depending on the combined man-power resources(400) of the two leading dailies in the important Rhone-Alps region (covering 15 departments). The papers, Le Dauphine and Le Progres made their decision to co-operate in 1967, after years of intensive competition, and Aigles was designed to meet the specific news requirements of seven dailies in Lyon, Grenoble and Saint Etienne. It now sells its services to AFP, AP and UPI. For a while it maintained an exchange relationship with UPI.

Aigles has six full-time journalists in Paris, but can call upon the services of the Paris offices of its founder members, which employ about 35 journalists. The copy sent by Aigles to international agencies is generally rewritten from initial reports written for clients. In the Rhone-Alpes region, Aigles has forty-five correspondents, and sends correspondents abroad to cover stories likely to be of specific interest to newspapers of that region. It has plans to develop news-coverage of all of France, but primarily within the field of features and photos. The photo service is important precisely because AFP's photo service is weak and does not compare in any way with those of the United States agencies or of the British PA. (AFP turned down the chance of operating a joint photo service with ORTF).

In some ways the services of Aigles and ACP are similar to those put out by the London offices of provincial newspaper groups in England, and as such do not appear to represent a major threat. But the aspirations of these French agencies, their links with global agencies other than AFP, the development of Aigles as a photo agency and the general fear that newspaper mergers made possible by Aigles-type arrangements could lead to a reduction of titles and of clients, did cause some concern. Especially when it became apparent that Aigles at least was seeking to monopolize news sources. For a while (1967-73), AFP actually reduced the size of its Lyon bureau and depended more for its news of the region on Aigles, because staff of leading papers of the region would no longer work as stringers for AFP.

The cost of subscription to Aigles was recouped through the cessation of payments to stringers. This initial policy of submission to local competition, if it had ever been formally articulated, was rejected in principle by the board of AFP in the early 'seventies. In Nice the bureau was expanded to take over some of the work of an overloaded Marseille bureau and this was thought to signify AFP's position of strength in the South. In good time, perhaps, because by early 1976, ACP appeared to be meeting with greater success than earlier forecasts had predicted. It now included 26 daily provincial papers amongst its clientele, some of whom had abandoned AFP altogether, thus increasing the pressure on ACP to duplicate some of the services hitherto the sole preserve of AFP (e.g. racing results) although it had no intention of becoming a global news agency. As a domestic agency it declared itself in direct competition with AFP, while charging a little less. With a staff of 50, of whom 35 were journalists, it no longer stressed its 'socialist' origins; its new editor, Michel Bassi, had come from the conservative Le Figaro.

Despite the threat posed by domestic sources of competition, AFP'S position on the home market since its statutory confirmation in 1957 has in many ways been one of increasing strength. In the 1950's a 'double frequency' or two-wire service was introduced, with one wire for domestic news and one for foreign news. The new service cost a great deal more, but in 1966, 29 provincial papers subscribed, and this increased to 47 (out of a total of 87 provincial dailes in 1959) 56 in 1963 and by 1970 all provincial

dailies received the expanded service. A number of editorial improvements were introduced - the service was 'Americanized' in certain respects, with the presentation of copy, for example, in the 'inverted pyramid' style, and ready for immediate use by clients; a teleprinter horse-racing service was set up and an economic and financial news service.

But the death of some newspapers brought about an inevitable decline in the total number of dailies served. Whereas there had been 101 provincial daily newspaper clients in 1953, mergers and deaths reduced this number to 87 in 1956, 83 in 1963 and 72 in 1971 (in addition to 21 ORTF clients, which had increased in number over time). When the Paris-Jour and Centre-Matin disappeared in 1971-2, the total number of French dailies (provincial and Parisian) taking AFP fell to 85. Local government measures had reduced the number of clients among prefectures to only 3 in 1970, but in 1971 an official decision determined that all regional prefectures would receive the AFP services before the end of 1972, indicating a sizable increase in State-originating revenue. In Paris, many client losses over the past decade have been made up by new additions, including Paris offices of recently merged provincial newspapers, embassies, multinational companies and ministries. Some of these clients received special services not generally available. In 1966, for instance, AFP undertook to provide the weekly 'Express', with regular articles, either requested by the magazine or proposed by the agency.

The future of AFP's domestic position is in large part bound up with its political power to obtain the resources it needs for a continued rate of improvement and expansion. Given the nature of its board structure, the agency's clients (and especially the representatives of state organizations) have had the power to hold down rate increases below the level considered desirable by the agency's administration. Alternatively, the board may seek an expansion which is then blocked by government. This has meant that the newspapers are served in the short run by an agency service cheaper than it might otherwise be (though more expensive than services of the competing world agencies, who are, however, unable to provide comparable services of domestic French news), but which in the long run may be unable to sustain its present strength. The seriousness of the economic crisis is in part the explanation for the Government's failure to encourage Jean Marin to seek a renewal of his post as Director General, despite his eminent record over twenty years' service, in 1975. The passage of the agency's budget was that year blocked in Assembly under protest that its 14% increase in subscription charges was too high. Nevertheless, it has still been possible for AFP in the mid-'seventies to greatly improve its accommodation and to instal a computerized system not dissimilar to those in operation in the other global agencies.

Finally it needs to be said that in addition to AFP, there are as in England and in the United States many smaller

French local agencies, of which Aigles and ACP are the largest. There were forty-eight French domestic press agencies in 1975, and of these about seventeen provided some general news and eighteen some international material. The rest were specialist, feature, or photographic agencies.[22]

Conclusion

For Reuters, the key to domestic strength lay in its relationship with the PA, its relations with the Government, and most of all in the evolution of a broad media ownership structure. For Havas the struggle was possibly fiercer, since it was its own domestic news supplier. Here, the uncertainties of the media market were cushioned by revenue from the sale of advertising and through a relationship with the Government which was much more substantial in financial terms than anything enjoyed by Reuters. The operation of AFP, while totally divorced from the advertising activities of Havas, is still dependent on subscriptions from State clients for its continued viability. This, together with the growth of regional domestic news agencies in competition with AFP, is the source of a greater market instability than is true of the domestic situation of Reuters. At the same time as it enjoys a strong domestic position, Reuters' domestic revenue accounts for a considerably smaller proportion of total revenue than is true of any other global agency. But both British and French agencies enjoy dominant domestic market positions. Competition from other global agencies is mainly limited

to international news, and the competitors' choice of news items usually reflects the interests of their own domestic markets.

1. For much of the historical material in this chapter, as in succeeding chapters, I do not supply detailed references, since the major sources are those agency histories of which note is made in Reference (25) to the introduction, and in the concluding Bibliography. My major concern is to identify and highlight salient historical trends which illustrate my general argument about the way in which the agencies developed over time.

2. cf. Scott, J.M.: Extel 100; London, Ernest Benn, 1972.

3. cf. Scott, George: Reporter Anonymous; London, Hutchinson, 1968; Ch. 7.

4. Storey, G.: Reuter's Century; Max Parish; London 1951; p.107.

5. cf. Post Office Records Library, London. Accounts of the conversations mentioned on pp. 118-9 can be found in Files 12742, 13432 and 6413.

6. Post Office Minutes, File 6413, 1931.

7. Post Office Minutes, File 6413, 1935-6.

8. Post Office Minutes, File 13432, 1935.

9. Jones, Roderick: Address to Cardiff Business Club, April 1932, recorded in Post Office Minutes, File M12742.

10. The figures that follow were updated for 1976 by the author in an interview study for the Royal Commission on the Press: cf. Boyd-Barrett, Oliver: The Collection of Foreign News in the National Press: Organization and Resources; in Boyd-Barrett, Seymour-Ure and Tunstall: Studies on the Press; Royal Commission on the Press, HMSO 1977.

11. Interview with Foreign and Commonwealth Office source; Autumn 1972.

12. Senior executive and news executive agency sources in all three countries.

13. Palmer, Michael: Some Aspects of the French Press During the Rise of the Popular Daily, circa 1860-1890; D. Phil. thesis, Bodleian Library, Oxford; 1972.
I am greatly indebted to this work and to a forthcoming French publication by Dr. Palmer for information about Havas: "L'Information, les agences, et la presse en France, 1850-1945".

14. Lazareff, Pierre: Derniere Edition; Valiguette; Montreal 1942.

15. Weigle, Clifford: The Rise and Fall of the Havas News Agency; Journalism Quarterly; Vol.10, September 1942; p. 270.

16. Weigle, Clifford: ibid.; pp. 282-3.

17. Palmer, Michael: News and Propaganda in France: The French State News Agency under Vichy. 1940-44; unpublished paper read at European consortium for Political Research Workshop on the Political Role of Mass Media, Strasbourg 1974.

18. Olson, Kenneth E.: The New Struggle of the Press in Europe; Journalism Quarterly; Vol.23, No.1; March 1946.

19. Martin, Leslie John: The Rise and Development of AFP; Journalism Quarterly, Spring 1950; and interviews by M. Palmer with senior AFP executives in 1973.

20. Olson, K.: op.cit.

21. Data on ACP and Aigles mainly gathered in interview with agency executives by Michael Palmer, Nov-Dec, 1972.

22. Les Agences de Presse 1975; L'Echo de la Presse et de la Publicite, 1975.

CHAPTER THREE: Domestic Oligopoly - USA

At the turn of the twentieth century the American newspaper market was the wealthiest in the world on most counts: large enough to support two, even three, major agencies. Yet these had to compete fiercely in the effort to maintain or improve their market shares. Monopoly may not have been an economic necessity here, but it was certainly an aim. The early history of the dominant American agencies is largely one of conflict between rival client groupings in their search for the right mix of excellence of news service and financial viability. This chapter considers certain divisions of the American market which help explain early differences in character between the agencies: e.g. metropolitan/non-metropolitan, East-West, morning/afternoon press, press/radio. It then examines the contemporary market situation for the dominant agencies, the role and importance of the supplementary agencies, and closes with an account of agency political and government affiliations. It argues that the leading agencies have tended to abandon their earlier concern for specific segments of the market in favour of a more broadly based market strategy, and that there is unlikely to be any major challenge to their domestic leadership in the forseeable future.

The Metropolitan Interest

The struggle for a monopoly control over the agency business by New York interests is the dominating theme

of the first half-century of American agency history. Of particular note in the complex pattern of rivalries and alliances which characterize this period is the intervening role of, first, foreign agency sources of overseas news, and second, the interest of the telegraph companies. Associated Press was the creation in 1848 of six New York dailies, and the New York influence was an early source of resentment for many non New York clients. Editors of the Memphis Commercial Appeal, for instance, included among their many complaints about the AP service which they received in the 1860's that it was too much dominated by news from New York, and trivial news at that, while other cities of more proximate interest and distance to Memphis, like New Orleans. Galveston, or Charleston, received hardly any attention at all.[1]

The formation of a western AP by mid-western papers in 1862, designed to counteract this bias, was inspired by local reaction to the New York City emphasis that became apparent in the agency's coverage of the Civil War. Western papers were also concerned about the AP's policy of confining itself to routine news so that smaller papers would not compete too much with the metropolitan press. When the western papers were admitted to a role in AP's management, they "demanded more enterprise and a report of a more varied character. The policy of limiting the field to 'routine news' was abandoned, and the institution began to show evidence of real journalistic life and ability".[2]

The original AP of New York (NYAP) still controlled the incoming flow of international news, because it controlled the transatlantic cable head in the United States. This monopoly did not survive long, but later agreements with the European agencies secured for NYAP by far the most important source of overseas news. The New York agency still worried about its Western counterpart, which like NYAP had declared territorial autonomy and forbidden its members to take any other service. This seemed to arrest the possibility of expansion by NYAP on its own accord, in exploitation of its central position in the system of news exchanges between it, Western AP and other AP's which appeared throughout the country. When Western AP contracted with the German agency Wolff (in 1885), at that time in conflict with the other two leaders of the European cartel, to exchange its news for European news, NYAP's fears were justified. It even went as far as seeking a deal with the major rival agency to the AP system, the original United Press (not the same UP which emerged at the turn of the century), in the hope that UP could undermine the position of Western AP. (UP's base was both Eastern and Mid-Western: its main supporting papers were the Boston Daily Globe and the Chicago Daily Herald; it took a foreign news supply from Central News of London.) Western Union, the major telegraphic company and which carried most of AP's traffic, upset this plan when it chose to side with Western AP rather than UP. In their own struggle for dominance, the telegraph companies looked for heavy-traffic customers.

Equally, they were anxious to destroy potential heavy-traffic clients unwise enough to do business with rival telegraph companies. In this instance therefore, the Western Union sided with Western AP in its attempt to destroy the business affiliation between UP and Mackay's Postal Telegraph Company. In doing so it postponed the surreptitious deal between NYAP and UP.

The failure of the NYAP-UP deal was followed by a ten-year truce between NYAP and Western AP until in 1892, Western AP exposed a new secret trust between NYAP and UP. Riding high on the ensuing scandal, Western AP effectively became <u>the</u> AP, with a Chicago base, and for a time the New York influence was contained. UP signed a cartel arrangement of very short duration with Western AP. AP's operating base was broader than UP's, and because it won an exclusive contract with Reuters, for which it bought the world service for $17,500 per annum, in addition to enormous service commitments and a supply of AP news, UP was forced into final bankruptcy in 1897. Membership of this new AP of Illinois, as it was called, was extended to include old UP subscribers. Some Scripps newspapers however, which had formed the backbone of the old UP's clientele, were excluded from this concession in order to protect the market interests of existing AP members.

But under Illinois law AP could fall under State surveillance as a public utility, and as such could be forced to sell to anyone who could afford to subscribe to the service. This was unacceptable to the new AP managers, headed by

Melville Stone, who had succeeded in their struggle partly by assuring members of their continuing exclusive rights to the AP service within territorial limits. In 1900 therefore, AP was incorporated in New York.

The New York influence persists today. Most of AP's top executives are located in Rockefeller Plaza and it is there that the major editing functions are located. In addition to organizational centralization in New York, the agency has been accused of domination by big-city influence generally. Schwarlose (1965) analysed the period 1893-1964 and concluded that the wealthy large-city properties had continually been over-represented on the board during that time. Certain states were over-represented such as New York, Pennsylvania, Missouri and California, and were mostly dominated by papers in one or two large cities. By contrast, many of the under-represented states were those with many small newspapers not productive of large revenues for AP, such as Kansas, the Dakotas and Iowa. The influence of the big city newspapers is contained to the extent that each member is restricted to a maximum of forty votes. The votes are in ratio to the AP bonds purchased by the member, with one vote per bond. This is a constitutional provision and there are other safeguards to ensure representation on the Board of Directors for small as well as large newspapers (e.g. At least 3 or the 18 Directors must each represent a newspaper published in a city of less than 50,000 population and which is not controlled by any other newspaper published in a city

of more than 50,000 population).

East-West Imbalance

An extension of the theme of New York control is a persistent belief held among west-coast editors that the agencies are controlled from the east. This reflects the general character of news flow in the United States which contrasts ironically with the character of much global news flow:

> "News flows east to west and seemingly is incapable of flowing west to east with Washington and New York the news hub."[4]

The problem was subject of a workshop report of the California Newspapers Publishers Association Editors' Conference in June 1974. Nineteen out of twenty-four editors responding to a question posed by a Californian wire editor thought AP's 'A' wire was biased to the east. The bias was identified in four areas: pegging of all stories to Eastern Daylight Times; a slowdown of news flow from New York after close of business in the east but before close-down in the west; direct omission of western points in roundup stories; ignoring west coast stories of equal significance to east coast stories. In reply, AP representatives pointed out that the Los Angeles bureau alone accounted for 17% of all non-Washington and foreign stories on the 'A' wire and that the four states in the Los Angeles regional news area produced 30% of non-Washington national copy.[5] But 'non-Washington' news is not as great as might be thought. Wes Gallagher, AP's president, told a later APME Conference that same year that:

> "in the past two years the proportion of Washington news in the report has grown enormously due largely to Watergate and the economic crunch. It has reached fifty or more per cent of trunk wire copy on many days."[6]

Gallagher claimed that it was AP's intention to return to pre-Watergate proportions:

> "The Associated Press is doing this and intends to do more by giving main trunk wire space to roundups dealing with all of the country, by taking the best of the stories on the state level and giving them national distribution." [7]

It may not be true that wire service Head Office executives tend to come only from the east coast as is sometimes claimed. But in the past, there has been a tendency to promote men from the west or mid-west in a geographic step-by-step fashion through mid-west bureaux till they reached the east. This may have helped exaggerate the psychological importance of the east. Another consideration is the dense newspaper population of eastern states, and its consequent revenue importance.

UPI has a reputation for being less dominated by east coast influence. This is largely related to the fact that it is by far the most popular news agency in California. It also produces its radio/wires and 'B' wire in Chicago. The Scripps papers which originally established the agency were all western or mid-western.

The east-west division is probably less important than the division between media-wealthy states and the others, which overlaps but does not coincide with the east-west division. This is the factor that helps explain why

only one man should report Alaska for AP, or why it was not until 1966 that a local state-wire service was established in Puerto Rico, while many east coast bureau staffs run into double figures.

A.M. and P.M. Papers

A second major division of interest which affected the development of the American news agencies was between the morning and the evening press. Differences between the agencies in their respective connections with the morning and evening press relate to differences of politics and style. The morning press was AP's special constituency in its early days and concentration in this sector (over-night telegrams were cheapest), helped create its own competition.

In 1869 the American Press Association (APA) was established, mainly to represent the evening papers which felt that AP's service was too much geared to morning press needs - little news was provided for example after morning press deadlines. It was APA that later became the UP which was so badly routed by Western AP in 1892. The evening press complained of discrimination not just from AP but from the telegraph company whose favourable rates underwrote AP's early growth: Western Union. Western Union charged APA too heavily and forced it to turn to other, weaker telegraph companies. UP never did secure the kind of relationship with a telegraph company that AP enjoyed (and suffered) with

Western Union.

Much as they tried, Western Union and AP never successfully established a monopoly in the field of press communications. In 1880, AP had only 36.6% of the daily market. When AP of Illinois took over, it started with only nine clients in 1892, and this rose to 709 (daily, non-daily and private) by 1898. During this period it never had more than 20-30% of the total daily market. For all the help it received, its alliance with Western Union was still costly - about three quarters of all its revenue went to the telegraph company, until under Kent Cooper attempts were made to seek less expensive routes and to employ competitive bidding. The initial expense may have been necessary, and the alliance between Western Union and AP certainly created difficulties for the competition, and in the process may have briefly hindered the development of the afternoon press in America.

In 1880, 3,000,000 press telegrams were handled by Western Union, largely for AP or its affiliates, out of a total of 3,154,398 handled on non-leased circuits by all telegraph companies. AP's competitors did not perform quite so badly as this implies: UP, failing to get cheap standard rates, started leasing wire circuits. To counteract AP's hold over news from Europe, UP took overseas news from Central News of London, one of Reuters' early competitors.

AP's larger members (mainly A.M.) were reluctant to see

the agency expand too rapidly. They did not want smaller papers (which included many P.M. papers) to be given a service that would enable these to compete with them. They wanted to restrict AP to coverage of the most routine kinds of news. Such limitations could not be maintained for long in face of the sure expansion of these smaller papers anyway, and of the competition against AP which such policies helped generate.

Yet it took AP a long time before it was ready to consider the afternoon paper as equal to the morning paper. The morning paper dominance was in fact accentuated in 1900 when the reconstitution of AP gave extra voting privileges to existing members by issuing low denomination bonds that carried voting rights. The result was that the larger and older morning papers kept control of the Board of Directors despite the growth of evening papers and the entry of many smaller dailies into the AP. The reason for this initial dominance of the morning market was that the earliest papers tended to be morning papers anyway, especially the larger, prestigious ones; and that the afternoon press when it did emerge tended to be populist and sensationalist in tone, so that a fairly conservative news agency like AP was not anxious to be seen to be bothered with it.

> "The Associated Press had been founded mainly by morning newspapers. The most powerful members of the organization were still in that field. They were jealous of their rights; they had insisted that the 'evening wire' should close at four o'clock - that any news which 'broke' after that time of day should belong to the morning newspapers. This precluded those 'sporting extras' which have

> become of late years such a prominent feature of journalism, for almost all sporting events, notably baseball games, are finished after 4 o'clock in the afternoon."[8]

AP's fault lay in its failure to acknowledge the difference between morning and evening newspaper, which meant that the structural bias of the organization in favour of the morning press was not corrected until much later. But the tide of new publications was heavily in favour of evening newspapers, and despite AP's apparent lack of concern for them, evening sheets (mostly small) already accounted for half the AP membership by 1900. (One reason for P.M. press growth was that it was considered a superior advertising medium for women to the A.M. press, at a time of huge increases in department store press advertising.) The agency's leased wire mileage, however, was twice as great at night as by day, a difference which could only be accounted for by the financial strength of the morning papers and the structure of the AP Board. A few years later the number of evening papers served by AP had almost caught up on the number of mornings, although they still accounted for a much smaller proportion of total revenue. In 1908 there were 774 AP newspaper members, of whom 438 were morning and 362 were evening. The evening figure steadily and rapidly increased so that soon not only had it overtaken the number of mornings, but by 1930 was actually twice as great. In 1930, of 1286 newspaper members, 389 were mornings and 897 were evenings.

The new United Press came into existence when AP was still dominated by morning papers in almost every sense. UP had been preceded by three other press associations, representing west coast, mid-west and eastern papers respectively, set up by E.W.Scripps (whose papers were all evenings) after the collapse of the old UP in 1897. These were merged in 1907 to form United Press Association. UPA, later simply called UP, concentrated on the afternoon market and on that other neglected market, Sunday morning papers. Another major publisher whose interests had been affected by the exclusivity of many AP contracts, and who also owned evening papers whose interests were not adequately served by AP, was William Randolph Hearst. He established two agencies in 1909-10, one for morning papers (International News Service), one for evenings (National News Association) and these were combined into one, International News Service, in 1911.

UP set out to do for afternoon papers what AP did not. It abolished the principle of exclusivity - any newspaper capable of paying for the service could have it (although later, perhaps even then, exclusivity crept in by the back door). Instead of aiming to present an official, authoritive and colourless style, UP risked being brash and colourful. It installed a sporting service that ran between four to seven o'clock in the afternoon, and included in the sporting service any important news which 'broke' later in the afternoon; so that UP clients, unlike AP evening clients, could publish 'late night extras'.

To help smaller papers in outlying areas, it organized a telephone news service much cheaper than the telegraph. Working on such principles, UP expanded its evening newspaper clientele from 300 in 1907 to 515 by 1914.

Despite UP's concentration of energy in the evening field, AP could still boast more evening papers amongst its members than UP could claim. There were still several advantages of AP membership and disadvantages in subscribing to UP which overrode AP's lack of consideration for its evening clientele: AP, as we shall see, was more established amongst important institutional sources; the Scripps ownership of UP possibly alienated many non-Scripps evenings who might otherwise have been attracted; Scripps favoured a style of populist radicalism which might have been suitable only in the major metropolitan centres; an AP franchise was a valuable property in itself, and anyone who had it was normally unwilling to part from it by subscribing to another news service without AP's permission. It may be assumed that the co-operative identity of AP impressed many small newspapers rather more than the commercial image of the Scripps agency. Above all there was an increasing numerical dominance of evening papers over mornings, (so that by 1974 there were more than four times as many evening papers) and AP inevitably had to come to terms with this fact in the long run.

The competition spurred AP into eventual recognition of the changing character of the American media market.

It first of all established a 'sporting wire' in imitation of UP, and then in 1915 extended its full service to afternoon subscribers, from 9.00a.m. to 9.00p.m. This worked both ways. In 1919, UP started a service for morning papers, after a suggestion to this effect from the newly-founded New York Daily News which had been unable to obtain an AP franchise. Many of these first night-wire clients also received AP reports, because in 1915 AP had also revoked its rule prohibiting members from buying other services. (The movement in this direction was of long standing. Melville Stone records how the paper he once edited, the evening Chicago Daily News, had the AP franchise. A problem arose when the same newspaper group started the Chicago Morning News in 1881. Since the AP franchise was in the hands of the evening paper, the Morning News had no alternative but to take the (old) UP. AP protested that this infringed its rules, since both papers belonged to the same ownership, and therefore should not take UP. But the ruling was not enforced. A few years later in 1883, Stone successfully persuaded one of his morning competitors, which had the AP franchise, to allow him to use AP also for the Morning News.)[9]

The number of UP's morning clients rose slowly, and had reached only 118 in 1928, 150 in 1935. It is UP's early activity in the evening field which is its most important claim to distinction for that period:

> "With a good deal of justification, the UP has insisted that the development of the afternoon newspaper and its advancement

> in power and prestige, as compared with the morning press may be traced directly to the projection of this agency concentrating upon news especially for the afternoon field."[10]

Since AP actually had a greater number of evening members however, it very early on established a dominant position in both morning and evening fields. Table 3 shows the relative position of the two agencies in each field, in terms of the number of daily papers each service reaches (in percentage terms), and the number of papers which subscribe exclusively to one or other service, for four separate years in the period 1934-1974.

TABLE THREE

MORNING AND EVENING STRENGTH OF MAJOR U.S. AGENCIES

	AP				UP/UPI			
	% papers subscribing exclusively to AP		% papers taking AP		% papers subscribing exclusively to UP		% papers taking UP	
	M(1)	E(2)	M(3)	E(4)	M(5)	E(6)	M(7)	E(8)
1934	45.4	38.8	68.2	50.3	13.0	26.9	35.8	37.4
1948	33.3	40.1	58.3	53.3	9.6	26.1	34.6	39.3
1962	34.3	43.1	83.0	62.9	14.4	31.8	63.1	51.6
1966	36.9	44.7	82.0	64.5	15.4	30.8	60.5	50.6
1974	37.6	48.6	77.2	65.0	17.4	29.4	57.0	45.8

Source: 1934-1966 figures computed from Schwarzlose (1966);11

1974 figures computed by the author from the 1974 Editor and Publisher Yearbook.

These figures indicate that AP's total penetration of the evening market has risen steadily between 1934 and 1974 (see Column 4, Table 3) from 50% to 65% of the total. Its penetration of the morning market (Column 3) has always been higher than that of the evening market, but after rising to a peak of 83% in the early sixties began to fall to 77% in 1974. The proportion of morning papers which take AP only (Column 1) has fallen since 1934 from 45% to almost 38%, but the fall has not been even, and since the early 'sixties there has been an increase. The proportion of evening papers subscribing to AP only has increased steadily since 1934 from almost 39% to nearly half the market.

The proportion of all papers reached by UP in both morning and evening sectors (Columns 7 and 8) improved dramatically in the early 1960's, possibly reflecting the merger between UP and INS, but the improvement has not been maintained. UP's penetration in the morning field has dropped by about 6% between 1962 and 1974, and by about the same in the evening field. The proportion of morning papers taking only UPI (column 5) has risen consistently from 13% to 17% between 1934 and 1974 except for a low period just after the war. The proportion of evening papers taking only UPI is higher, and has fluctuated around a few percentage points from 27% in 1934 to 29% in 1974.

AP's penetration in both fields is considerably higher than UPI's, and likewise its share of the one-service market in both fields. Consideration of the share of

the market held by INS while it still survived, or of the absolute total numbers of daily newspapers in these years does not add or subtract very much from the general implication of these findings. INS sold mostly as a supplementary service, and in 1934 reached 11.4% of the morning and 7.5% of the evening markets; in 1948 her penetration of the morning market had increased to 30.5% (actually higher than UP's), and 12.7% of the evening market.[12] In 1974 there were also nineteen 'All Day' newspapers, i.e. which had several editions throughout the day. Eleven of these took AP only, and seven subscribed to both. One recorded neither. Of nine additional papers which had both morning and evening editions, three took AP only, one took UPI only, three took both and one took neither.[13]

Accommodating Radio[14]

One important client sector which was sorely underprivileged for quite some time in the matter of agency sources, was the radio market. AP was especially reluctant to enter this field, although when it did eventually do so it achieved a market saturation point of 47.5% within two years, and maintained this within a few percentage points up until the mid-sixties.

Radio news was problematic for the agencies. Newspaper members or clients regarded radio newscasts as a form of competition which would hurt their circulations. There was no supporting evidence for this belief. Yet they

regarded themselves as the rightful owners of news and were determined, for the most part, to keep news away from radio.

In March 1934, a Press-Radio Bureau was established by publishers to control the use of news by broadcasters. Signatories to the agreement which established the bureau were the American Newspapers Publishers Association (ANPA), AP, UP, INS, Universal Service, the Scripps-Howard Newspapers, the Columbia Broadcasting System and the National Broadcasting Company. These organizations agreed to elect a committee, whose main function would be to select a limited volume of daily bulletins of state, national and international news from the wire services for use by broadcasters. Each bulletin was restricted to thirty words (this clause was later dropped as impractical), and the broadcast periods were restricted to two a day, not exceeding five minutes each. Columbia Broadcasting System (CBS) agreed to terminate its own agency, Columbia News Service Incorporated, and the National Broadcasting Company (NBC) agreed not to enter the news-collection field: they could hardly afford at that point to be blacklisted by the major news organizations.

The background to this development was the crystallization of press opposition to radio around 1930, although even in the 'twenties AP had expelled members who allowed AP news to be broadcast on stations which they owned or who

engaged in independent news-gathering for radio news. There was a short period in which publishers experienced a decline in newspaper advertising revenue, while radio advertising increased. In retaliation, some papers ceased to print programme listings, but were obliged to restore them in response to public demand. AP members successfully exerted power to cut radio chains off AP's customer list. An AP referendum in 1933 established that the AP board would permit only AP members to use AP bulletins. The idea of sponsorship of AP broadcasts was considered out of the question. And in South Dakota, AP obtained an injunction which forbade radio stations to read fresh newspaper reports. For the time being, smaller newspaper members of AP who did not have radio affiliates of their own had won.

A later decision by a Seattle court held that the AP had no property rights in news after publication. Till then many radio stations went to UP and INS for their news supply. But UP withdrew from the radio field in response to the same client pressures that had forced AP to withdraw. At this point CBS organized its own news-gathering organization, Columbia News Service, under the direction of an ex-UP journalist, Paul White. The CBS service took a supply of foreign news from Reuters and Central News in England. The existence of the CBS service was the major impetus to the eventual compromise solution represented by the Press-Radio Bureau.

Under the Press-Radio agreement therefore the radio networks

agreed to stay out of the news-gathering business; to broadcast only news furnished by the Press-Radio bureau and then only after it had been published; and to refrain from selling news programmes to advertisers. All news-casts had to mention something about 'public service', and to urge listeners to read their local newspapers for full details.

The great weakness of the Press-Radio bureau agreement was that it could apply only to network-affiliated stations. At that time there were 28 stations owned by the networks, and 150 affiliated with them, out of a total of 600 in the country. An ex-editor of the Columbia News Service, Herbert Moore, gathered together a group of his colleagues to set up a rival organization to the Press-Radio bureau. This was financed as a co-operative venture by a group of independent stations, and started operations a week before the Press-Radio agreement came into effect. The new service operated with great technical efficiency, but the co-operative ownership structure came apart. Western broadcasters dominated the organization (perhaps in response to the dominant east coast interests reflected in the Press-Radio Bureau agreement) and eastern stations protested against too much western and mid-western news. Herbert Moore consequently looked for alternative backing , which he found, and started the Transradio Press Service, incorporated in New York. Within three weeks it was making a profit. A subsidiary organization, the Radio News Association, was organized to perfect delivery for remote and not-too-wealthy stations

which could not afford to pay tolls on Transradio news. One hundred stations subscribed to this service alone. Transradio reached 150 stations by mid-1935, 260 by 1936. As in the case of the now defunct Columbia News Service, foreign news came from Reuters, Central News of London. and its own foreign correspondents.

This appearance of Reuters on the scene deserves some comment. The British agency was retaliating for AP's withdrawal from the European cartel. At home in Britain it also combined with publishers to control use of news by radio. In Britain the government via the Post Office had established a radio monopoly (albeit 'autonomous') in the form of the BBC. This meant that newspaper and agency interests had only to negotiate at one level of control rather than compete in commercial terms with the infant medium, and they thus found it easier to maintain effective control over radio news than their American colleagues.

The Press-Radio bureau had 160 clients shortly after it started, but this number dwindled rapidly up until the time of the bureau's demise in December 1938. In addition to competition from Transradio and Radio News it had also to contend with the New England based Yankee Network News Service and other smaller centres of resistance to the 1935 agreement that were encouraged by the Seattle court decision. When the influential WOR Newark station withdrew from the agreement in early 1935, others followed. By the Autumn of 1935 there were four hundred stations using news obtained from some source other than the Press-

Radio bureau. In an attempt to halt the collapse of Press-Radio, ANPA called a meeting in April 1935 to renew the original agreement but with major concessions. The meeting gave UP and INS the right, if they thought it necessary, to sell news to radio - which of course they quickly thought necessary (within a month in fact). A further ANPA meeting early in 1936 decided on a co-operative strategy with radio, by which time it was too late for strategies in any case. In the same year, UP inaugurated a teletypewriter circuit on an eighteen-hour basis to twenty of its fifty radio subscribers. The bureau ceased operations altogether in December 1938, and two years later AP entered the radio news field. AP had supplied some services in 1936, following UP and INS, but it did not lift its ban on the use of its reports on sponsored news programmes till late 1939. (UP had sold to sponsored programmes since 1936.) In 1949 the AP board gave the General Manager authority to contract with individual radio stations and with broadcasting networks.

The entry of the major US news agencies into the radio field eliminated many of the established sources of radio news supply. Transradio ceased operating in 1951. Now that AP and UP were as strong in the radio field as they were in newspapers, they stood in powerful relation to broadcasters. Broadcasters were given associate membership in AP only in 1946, and board representation in 1976. Both agencies were given to imposing tough contracts: for instance, requiring five years' subscription in advance.

In 1967, however, the FCC adopted a rule prohibiting broadcasters from signing news service contracts which extended longer than three years.

Client Characteristics 1974.

The author's computations from data provided in the 1974 Editor and Publisher Yearbook show that in that year AP was a very clear leader in the overall daily newspaper field. There was a total of 1754 daily newspapers of which 820 (46.8%) subscribed only to AP of the two major news services, and 472 (27%) subscribed only to UPI, while 366 (20.9%) took both and 96 (5.59%) recorded neither agency. AP's total market penetration was 67.6% as against UP's 47.8%.

If subscriptions are considered by States, it appears that for 1974 AP has more subscribers than UPI in 36 out of 51 states (70%); UPI leads in 11 (22%); and they tie in four cases. In 16 cases, AP's lead is by 10 or more clients (in Iowa it led by 27), whereas UPI's lead is of this dimension in only one state: California, where it has 26 more clients than AP. UPI leads in four more states than it did in 1963, but the overall pattern has not changed much in thirty years. There is a slight tendency for UPI to do rather better in the west and south than elsewhere. This is very evident in California, but UPI also leads in Nevada, Oregon; Utah; Wyoming and in the mid-west it leads in Oklahoma; in the south it leads in Louisiana and Georgia.

During the period 1966-73 there has been a further decline in the proportion of newspapers taking both major wire services, from 24.3% in 1966 to 20.9% in 1974. The proportion of papers taking two or more major wire services has never exceeded 30% in the years for which figures are available, and when three major services were available only 10% took all three.

Table 4 shows the distribution of all subscribers according to the agency or agencies to which they subscribe and the populations of the communities they serve. Over half of all papers serve communities of 25,000 persons or less. As community size increases the proportion of total newspapers serving such communities declines rapidly.

TABLE FOUR.

AGENCY SUBSCRIPTION BY SUBSCRIBERS' COMMUNITY POPULATIONS

(% total of newspapers 1974)

	25,000 & less	25,001 -50,000	50,001- 100,000	100,001 -500,000	500,001- 1,000,000	1,000,00 & over
AP only	28.6	8.9	5.3	3.2	0.62	0.1
UPI only	18.7	4.3	2.0	1.3	0.3	0.3
AP & UPI	1.6	3.7	5.7	7.2	2.0	0.7
Neither	3.9	0.9	0.5	0.4	0.0	0.1
Totals	52.8	17.8	13.5	12.1	2.9	1.2

SOURCE: Figures computed from the Editor and Publisher Yearbook 1974.

Table 5 shows that the proportion of papers taking only AP declines consistently as community population size increases. In the case of newspapers taking only UPI the same is true, except that newspapers in largest communities are almost as likely to take only UPI as newspapers in the smallest communities. The liklihood of dual subscriptions (to both AP and UPI) increases with community size up to 500,001 - 1,000,000 and then falls off. In the three largest community size categories, dual subscriptions outnumber single subscriptions by a good margin. These figures are broadly similar to those of Schwarzlose for 1966.[15] However, in 1966 the largest communities were a little more likely rather than less likely to subscribe to both major services. This may suggest that smaller papers in the big cities are more often cutting down to single wire service subscription.

TABLE FIVE

DISTRIBUTION OF AGENCY SUBSCRIBERS WITHIN COMMUNITY SIZE CATEGORIES

(% for 1974)

	25,000 & less	25,001-50,000	50,001-100,000	100,001-500,000	500,001-1,000,000	1,000,001 & over
AP only	54.2	50.2	39.4	26.4	21.6	9.5
UPI only	35.4	24.1	14.8	10.8	9.8	28.6
AP & UPI	3.1	20.9	42.4	59.5	68.6	57.1
Neither	7.3	4.8	3.4	3.3	0.0	4.8
Totals	100.00	100.00	100.00	100.00	100.00	100.00

Source: Figures computed from the Editor and Publisher Yearbook 1974.

Table 6 indicates that as a general rule, single-service subscriptions decline with circulation size while dual subscriptions increase very dramatically with circulation size. These figures correspond quite closely with those for 1966. A previous study has indicated that the presence or absence of competition is a factor determining whether there is dual or single agency subscription for smaller papers: competition increases dual or multiple agency subscriptions - but large dailies tend to maintain relatively high levels of agency resources, whether as monopolies or as competitors.[16] Schwarzlose found a tendency for smaller circulation papers in competitive situations to prefer UPI over AP.

TABLE SIX

AGENCY SUBSCRIPTION BY SUBSCRIBERS' CIRCULATIONS

(% for 1974)

	10,000 & less	10,001-25,000	25,001-50,000	50,001-100,000	100,001-500,000	500,001 & over
AP only	48.2	56.3	42.0	37.0	21.2	9.1
UPI only	38.8	26.6	14.1	6.7	7.1	0.0
AP & UPI	3.5	13.5	42.0	54.1	70.0	90.9
Neither	9.5	3.6	1.9	2.2	1.7	0.0
Totals	100.00	100.00	100.00	100.00	100.00	100.00

Source: Figures from the Editor & Publisher Yearbook 1974.

Supplemental Services

Since most American papers tend to use agency reports as they come off the wires, the dominance of just two major services has led to some concern about the diminishing effect this might have on editorial diversity, within a context of increasing concentration of newspaper ownership. In 1973, 165 groups controlled 977 daily papers, or about 55% of the total number of dailies, an increase of 117% since 1945. On the other hand, an increasing number of papers are going 'public'. There were public stock holdings in 247 dailies, controlled through nineteen groups, in 1973, representing 14% of all dailies and 24% of circulation. Although concentration is increasing, actual number of dailies was increasing even up until 1974. The total has fluctuated since the war, but there has been an absolute increase of about eleven dailies since 1946. There has been a heavier growth of large dailies with circulations of 50,000 or more, which have increased from 199 in 1946 to 255 in 1973. Growth has been more prominent in the south than in the north - almost 15% in fourteen southern states between 1946 and 1973; accompanied by a circulation gain in southern states of 83%.[18] Overall circulation in the period 1960-75 has fallen, and likewise the percentage of advertising revenue spent on the press, but in the same period suburban morning papers have gained 29% in circulation and suburban afternoon papers gained 50%. It is primarily the large metropolitan papers who have suffered.

Structurally therefore the conditions for editorial diversity in the industry as a whole are not necessarily

very much worse than they were thirty years ago. Yet multiple agency subscriptions are decreasing. This would not in itself be a matter of concern if alternative sources of news were being utilized more fully. In the United States there are as elsewhere a large number of smaller agencies, ranging from syndicated feature distributors to relatively large-scale teleprinter networks for general news services. Subscriptions to the smaller news services (supplementaries) are registerd in the annual Yearbooks of Editor and Publisher. Over sixty are recorded there for 1974, but only 12 of these have more than 10 daily clients. Most important of these are the New York Times News Service which distributes to 141 daily newspapers in the United States, and the Los Angeles Times - Washington Post News Service which distributes to 108 daily U.S. clients. Both these services use material initially written for the newspapers which control them, and both have extensive overseas sales as well. Table 7 shows the leading smaller news agencies.

An examination of the position of the supplemental agencies suggests several important features of the agency market and the implications for the future of news diversity;

(1) it is the papers who seem least to need the supplemental agencies, those already supplied with many services and with generous facilities, that most use them;

(2) Supplemental agency services are rarely taken as alternative sources to the leading agencies and are therefore little threat to the market dominance of those agencies, although there is a slight tendency in this direction;

(3) the supplemental agencies themselves reveal links with the major agencies which would reduce any promise they might hold for future diversity;

(4) the experience of INS suggests that the prospects of a third major agency emerging are slim indeed.

TABLE SEVEN

LEADING SUPPLEMENTARY NEWS SERVICES IN ORDER OF THEIR OUTLET STRENGTHS

Source: Schwarzlose (1966) and figures computed from the Editor & Publsiher Yearbook (1974).

	1966 News Service	%	1974 News Service	%
1.	New York Times (NYT)	14.5	New York Times (NYT)	20.0
2.	Chicago Daily News (CDN	12.7	Los Angeles Times-Washington Post (LAT-WPN)	15.3
3.	New York Herald Tribune (NYHT)	10.2	Chicago Daily News	9.8
4.	North American Newspaper Alliance (NANA)	9.5	Newspaper Enterprises Association (NEA)	9.3
5.	Newspaper Enterprises Association (NEA)	8.6	North American Newspaper Alliance (NANA)	6.1
6.	Chicago Tribune-New York News (CT-NYN)	8.3	Copley News Service (CNS)	5.8
7.	Reuters News Service (RN)	7.3	Gannett News Service (GNS)	4.8
8.	Dow Jones News Service (DJ)	6.1	Dow Jones News Service (DJ)	4.7
9.	Copley News Service (CNS)	5.4	Reuters News Service (RN)	4.0
10.	Los Angeles Times-Washington Post (LAT-WPN)	4.7	Christian Science Monitor (CSM)	2.0
11.	Gannett News Service (GNS)	2.9	Chicago Tribune-New York News (CT-NYN)	1.8
12.	Scripps-Howard Newspaper Alliance (SHNA)	2.3	Scripps-Howard Newspaper Alliance (SHNA)	1.7
13.	Hearst Headline Service (HHS)	0.5	New York Herald Tribune (NYHT)	1.3
14.	Other	7.0	Other	13.2

Three hundred and ninety papers, 22.2% of the total number of dailies, subscribed in 1974 to some other news service in addition to AP or UPI. These papers tend to be the large circulation big-city newspapers, the ones which tend to have several news services in any case. Of the 390, almost half (48.7%) served populations of over 100,000, (whereas only 32.4% of all papers are situated in this population category), and almost half (46.9%) had circulations of over 50,000. Nearly half of them already subscribed to both AP and UPI (49%). A higher proportion of mornings subscribed to the supplementary services than would be expected from the proportion of mornings to all papers. Of all the papers taking supplementaries, 30.7% were mornings. 38.6% of all mornings took supplementaries compared with 18.3% of all evenings.

Only 191 dailies, or 10.9% of all dailies, appear to take a supplementary as a <u>substitute</u> for an alternative major news service. These papers subscribe either to AP or UPI, but not both, and have one supplementary in addition. 72% of these papers take AP for their major news service. AP subscribers therefore are more likely to take a supplementary service than UPI subscribers.

The percentage of dailies which subscribed to supplementary services in 1966 was only 16.4%. This represented an increase of 7% over the previous year. In 1974, as we have seen, the percentage was 22.2%, so that there is a tendency for more papers to take supplementaries. Not

much of this increase has occurred among the larger papers. In 1966, the proportion of papers taking supplementary services which had circulations of 50,000 or more was 51.8%, but in 1973 was 48.7%. There is a very slight tendency for smaller papers to take supplementaries over time. Slightly fewer papers taking supplementaries now are those which already subscribe to <u>both</u> AP and UPI. In 1966, 56.9% of these papers took both major services and this had fallen to 49% in 1973. There may be a slightly increasing tendency for papers to choose a supplementary as an <u>alternative</u> to a second major wire service.

The sets of percentages in Table 7 may not be strictly comparable because smaller agencies included in 1974 may not have been included in 1966. However, one or two changes do stand out. Most important of these is the rise to strength in that period of time of the Los Angeles Times-Washington Post News Service, and the increasing strength in the supplementary market of the New York Times News Service (which in 1953 only had 31 clients; the Chicago Daily News was most important that year with 45 clients). Both these services have built up respectable foreign clientele: the New York Times Service sold to 119 foreign newspapers in 46 countries in 1972; the Los Angeles Times-Washington Post went to 100 papers in 46 countries. The presence of other global news agencies in North America will be discussed at greater length in Chapter 4; if anything, Reuters appears to have lost ground as a newspaper supplementary since 1966, and AFP, like TASS, has only two

recorded newspaper clients for 1974.

There is an increasing trend towards concentration in the supplementary field. The three most important services in 1966 accounted for 37.4% of total outlet strength, and 45.1% in 1973. (This trend would be more noticeable if the two sets of figures in Table 7 were strictly comparable.) In 1974, two of the smaller news services decided to join together. These were Knight Newspapers and the Chicago Tribune-New York Daily News Services. A joint sales operation between the New York Times News Service and the Chicago Daily News/Chicago Sun-Times Service was discontinued in 1974 as the result of an anti-trust suit but the two services continued to share a transmission wire. The other major supplementary, Los Angeles Times-Washington Post News Service, leases a special wire channel from the Associated Press as of 1974.

Two of the supplemental wire services, one small and the other of moderate size, have indirect links with UPI by way of the Scripps-Howard newspapers. One of these is the Scripps-Howard Newspapers Alliance (SHNA), founded in 1917, with 12 clients* in 1973 and distributed to Scripps-Howard newspapers. (However the Scripps-Howard service decided that year to make its service available outside the group on a world-wide basis, moving an average of eight stories a day, six days a week, and concentrating on supplemental features.) The other is Newspaper Enterprises Association (NEA) founded by Ellen Scripps in the 1920's, and which in 1973 served 66 clients, in

*cf.note 4,p.958

addition to overseas sales. Whereas SHNA goes only to papers which have either UPI or UPI and AP (but not AP only), NEA is taken by more papers whose major agency is AP rather than UPI, or who take both AP and UPI. One of the news services, Gannett News Service, has a temporary relationship with AP. Chairman of Gannett Newspapers is Paul Miller who is also at the time of writing Chairman of Associated Press. Both Scripps Howard and Gannett newspapers are amongst the top ten U.S. newspaper groups in terms of the number of papers they control. Gannett had 54 papers in 1974, Scripps Howard had 16, with aggregate weekday circulations of approximately $2\frac{1}{4}$ and $1\frac{3}{4}$ millions respectively.

As concentration increases is it possible that some of the traditional supplemental groups will challenge the major wire services? To some extent this is happening and may continue to happen where papers which before might have had both major American wire services decide to take only one major service and a supplementary. But most papers only take one major service in any case. Certain of the supplemental services have large resources at their disposal. In Washington for instance the New York Times has an editorial staff of about 35, the Washington Post has 49, and Gannett has 11.[19] The New York Times has 28 overseas bureaux staffed by 42 journalists; the Washington Post has 11 overseas bureaux staffed by 35.. At home they have 15 and 4 bureaux respectively.

These kinds of figures are sizable, but do not match the

leading agencies. AP has about 80 editorial staff in Washington, and as we have seen earlier, over a hundred bureaux at home and over sixty abroad. The leading supplemental agencies are too closely identified with certain newspapers. In many cases the material they carry is material which appears or is written for the owning newspaper, and is usually of the feature variety rather than spot news material. Not much systematic evidence is available concerning the subject breakdown of the supplemental agencies. One content analysis of the New York Times News Service for overseas clients, however, indicates very heavy emphasis on American and, in particular, on Washington News.[20]

If this applies also to the domestic service, the implication is that the largest supplemental agency cannot hope to compete with the major agencies in the provision of a comprehensive foreign news service. There is also the consideration of what happens in an economic recession. Individual newspapers may be more inclined to cut news-gathering costs, thus affecting their subsidiary news services, than a news agency; but even if they cut back at the same rate as a major agency, the cut will affect their news coverage more seriously than the major agency because they have fewer resources to begin with. Evidence of possible cutbacks accumulated when New York Times profits before taxes dropped from just under £10,000,000 in 1973 to slightly over £4,000,000 in 1974, and early in 1975 the paper was studying ways of trimming page size to

save at least £2,000,000 a year. The Los Angeles Times also planned to reduce page size in 1975, and closed down its UN and Australian bureaux.[21]

Whatever the emphases and limitations of the supplemental agencies, it is clear that they perform an important role for the larger papers, and that this role is likely to persist. Privileged though the domestic clients of the major agencies may be in comparison with overseas clients, it is apparent that even in their domestic coverage these agencies may be, and have been criticized for certain shortcomings and ommissions. Alaska's state capital of Juneau, for instance, with a state payroll of 11,000 persons and 18 regular state committees was the responsibility of only a single AP staff correspondent in 1974. The normal AP or agency explanation for this kind of situation is that resources have to be distributed somehow, and that it is always possible to rely on the local newspapers to supply news to AP. But from another source we are warned that such reliance cannot always be justified:-

> "None of the state's (Alaska) daily newspapers, including the only one in Juneau, has seen fit to assign a full-time staff reporter to cover the legislature, and they rely almost exclusively on the superficial coverage provided by the Associated Press bureau there."[21]

Some commentators have felt that the wire services' coverage of domestic news is consistently skimpy:-

> "Largely because of the competition, both AP and UPI have begun cutting corners. Many of AP's 108 U.S. bureaux are skeleton staffs in cramped quarters with inadequate files. Like UPI's

> 100 bureaux they are usually located in newspaper offices. Both services depend largely on local newspapermen to do their reporting for them on a part-time basis. In small towns they use housewives and students, paying a flat $5 an item."[23]

Not even the prestigious Washington Bureaux are exempt:-

> "Overworked AP and UPI staffs routinely make collection runs, visiting a number of committee hearings on any given morning, dutifully collecting witness's speech texts, and going back to the House of Senate press gallery to dictate or to grind out several stories. Far from its being digging reporting, it is not even routine reporting. It is skimming....."[24]

These criticisms suggest two things. The first is that there will be a continued need for the supplementary services on the domestic U.S. scene, which can concentrate their resources in specific news-gathering areas (as they do in Washington) in order to meet the more specialised requirements of their readers; but the second is that if the major wire services with their much larger clientele can still draw severe criticisms for their lack of comprehensive reporting, it is even less likely that any supplementary agency will find the resources to do better.

If a supplemental agency were to expand and become as sizeable as one of the two major wire services, it would probably eliminate one of these two in the process. Until 1958 there were in fact three major agencies, although International News Service tended to sell like a supplemental agency. Examination of the INS experience does not suggest the liklihood of a third major US agency appearing in the forseeable future. In 1957 it had a total newspaper

clientele in the United States of 334, of which only 60 relied on INS as their primary source of general national and international news.

It was something of a maverick organization. The British and French governments banned it from use of their cables in 1916 because they complained that the Hearst newspapers published German as well as allied versions of the war news. After the war it lost face when AP successfully charged INS with stealing AP news for its own distribution, and of using the Hearst newspapers which subscribed to AP as its source of supply.

INS sold mainly for the quality of its writing and its features. The overseas market for INS services had grown to about 2,000 in 1957 from only 40 in 1934. At the time of merger UP claimed a global total of 5,000 clients, and INS a total of 3,000. The merger came as a surprise to many. In 1957 INS had recorded a gain of 249 new clients. It did not have as extensive news-gathering resources as the rival agencies, but could use Reuters for news of the Middle East and Africa, and had sole right of distribution at that time for DPA's overseas service in the western hemisphere. Chief stockholder of the resultant UPI was announced as the E.W.Scripps Company of Cincinnatti, which was also a heavy stockholder in Scripps-Howard newspapers. Hearst interests also acquired stock in the UPI, and this was 'reliably reported to be less than a published figure of 25%'.[25] It was said that INS had gone into the red by as much as $30,000,000, most of it covered by Hearst

newspapers at a rate, in its last three years, of $1½ million a year. Because the most important clients were U.S. newspapers which mostly looked to INS as a supplemental and not as a major source of news, they resisted attempts to raise subscription fees to an economical level. As for UP, 'The foreign service kept in the black but the domestic operation was in-and-out of red ink by small margins'.[26]

UPI's penetration of both morning and evening newspaper markets in the United States improved considerably after the merger, although it slipped back a little later on. There were immediate improvements in service: an additional hour of news for morning papers for example, and a revamping of mail services. Hearst began a new supplemental agency, Hearst Headline Service, and copy from it was made available to UPI in non-Hearst areas.

In the wake of the merger UPI made a bid to become America's leading news agency. It promised a relaxed relationship with its clients: whereas AP members were obliged to feed (routine 'non-exclusive') news of national interest into the agency, and were forbidden to provide anyone else with news, UPI would not demand to be furnished with its clients' news. There was a set-back that same year when increased rates for private line teleprinter were announced which fell very heavily on services to the smallest, outlying clients like small radio stations, a field in which UPI was strong. In any event, UPI never did catch up with AP in the newspaper field, and a general fear of media concentration elicited predictions from Drew Pearson and

other commentators that the UP-INS merger might soon be followed by an AP-UPI merger. This has not yet materialized.

Politics

The agencies have largely followed their newspaper clients in a drift towards the political centre, the 'middle market', and have avoided the kind of overt links with Government interests that characterized the European agencies before the last war. At one time there appeared to be a very clear political distinction between the two agencies. UP was the creation of the Scripps newspapers, and the Scripps papers were radical:

> 'The Scripps newspapers gave birth to the United Press. The quiet power of these Scripps newspapers is little understood in the United States. E.W. Scripps, genius of the organization, believes in publicity for others, effacement for himself. To mention him at all is, to anyone who knows him, almost a breach of journalistic confidence. His string of twenty-five or thirty metropolitan and small city newspapers have one definite policy - the interests of the working-class. They are humble-looking sheets, published generally in dingy basements and by young men. On the young man Scripps lays particular stress. Youth, in its period of struggle, is radical and near to the people; maturity and age are conservative and apart from the people. The Scripps newspapers give youth and the people their fling.'[27]

Scripps first worked for the Detroit 'Evening News' in the 1870's, and he later described this paper as the founder of 'personal journalism' - a style that concentrated on exposing the rich and respectable wherever their actions were at variance with their official roles. The first paper Scripps edited was the Cleveland Penny Press.

> "As editor I was always on the side of the working man and the poor man. I was always against the rich man, whether I was right or wrong. I had an almost instinctive hatred for all men in power, whether the power was derived from political sources or based on economic suucess."

He understood UP as an outflowing of a similar hatred.

> "I believe the most valuable service I have rendered to my country has been that of thwarting the plans of greater, abler and richer men than myself to establish a monopoly of news in the United States."

And in 1917 he wrote:

> "Were it not for the UP, I am convinced that the men who hold a controlling interest in the present AP and Mr. Hearst would inevitably combine it into a trust."

This would happen because most American newspaper men were conservative.

> "I knew that at least 90% of my fellows in American journalism were capitalistic and conservative. I knew at the time at least that unless I came into the field with a new service it would be impossible for the people of the United States to get correct news through the medium of the Associated Press."[28]

When Roy Howard was appointed by Scripps in 1908 to manage the UP operation, Howard was still in his early twenties. Howard was a journalist after Scripps' own fashion, who set out to inject something of the Scripps tradition into news agency reporting. Where the AP provided accounts of debates of Parliament and war rumours, the UP looked for the human interest angle and the political reality:

> "When King George was crowned at Westminster, the Associated Press reported the pomp and parade of the event, told of the massed regiments, the cheering crowds, the splendid mediaeval ceremony in the Abbey. The United Press did that and more; it tried to find just how much of the cheering of the crowds was real enthusiasm and how much was false; it pictured the hungry mob of Whitechapel pouring out to see their King pass; it showed the outcasts struggling for the food dropped from the picnic-baskets of more fortunate spectators."[29]

At home UP gave greater attention to the labour side in industrial strike stories like the Textile workers' strike at Lawrence, Massachusetts in 1912, singled out by Morris in his story of UP, 'Deadline Every Minute'.[30] That was the year when Reuters approached UP to suggest an exchange deal. Reuters was especially interested to know whether UP could provide the English agency with a comprehensive stock-market report. Howard considered this, but appreciating the limits which the Reuter alliance had set on AP's activity, broke off negotiations, and this preserved the agency's reputation for independence and non-conservatism.

The radicalism of UP, like that of Scripps, was of the populist kind, without any strict ideological base, a kind of radicalism which lends itself as easily to economic inventiveness as to political. And as time went on the populist strain of UP became increasingly apolitical in character. This is tied up with its early concern for the afternoon press which was usually less 'serious' in content than the morning press. The acquisition of wealthy clients overseas, especially La Prensa in Argentina, forced UP closer into line with the other agencies in the extent and character of its foreign news coverage.

The conservatism of AP against which UP set itself was not primarily political in origin, although it had political consequences, but had to do with the kind of authoritiveness which certain media organizations attract and encourage, and it arises out of a cultivation of important Establishment

sources, superiority of news-gathering facilities, longevity in the field, and the relative socio-economic status of readers or clients.

Possibly the main source of AP's Establishment appearance was its very long cultivated Washington connections. AP had a Washington correspondent in 1853, and maybe even before that, some fifty years or so before the Scripps' UP was founded. This first correspondent, L.A.Gobright,

> "saw the Associated Press replace the official journals as the medium for transmitting the complete text of official documents. It moved telegraphically extended start-to-finish accounts of congressional proceedings. Representing papers of varying political opinions, it avoided the highly opinionated flavour that then characterised newspaper writing, thus contributing to the objectivity that later marked the American press."31

In 1861, AP took over the role of transmitting official announcements that had previously been left to an official Washington newspaper. Furthermore, during the first year of the Civil War, when telegraphic censorship was imposed on despatches from Washington intended for publication, and which related to the civil or military operations of the government, Gobright's file for AP and any other stories containing the same facts as those offered by AP, were specifically exempted. Gobright was one of the 'special correspondents' who received copies of certain of the telegrams received at the War and Navy Departments from the field commanders. AP was especially favoured by Secretary of War Edwin M. Stanton who was actually disliked by many newspaper reporters for not being

very co-operative. Evidently Stanton found the AP an excellent means of controlling press information at a time of crisis.

By 1866, the AP rather than the Washington papers was the normal machinery through which routine floor proceedings of the two legislative houses were reported in the start-to-finish sequence still used by the press of the time. The AP gained a desk on the floor in both houses between 1866 and 1873. Public interest in routine floor proceedings, however, was declining rapidly and in 1890 the AP dropped such routine stenographic reports and paid more attention to committees. Around this time AP put down a direct telegraph wire from the White House to its Washington office. Until the turn of the century, AP very nearly enjoyed a monopoly on press agency privileges in both Houses. Not until then were rivals accommodated. (A UP representative, Paul Mallon, caused a mild stir in 1928-9 when he published some Senate 'secret' proceedings and refused to reveal his source. A move to ban UP from the floor was unsuccessful.)

A notable foreign correspondent, John Gunther, summed up the differences between the U.S. agencies of the between-the-wars period in the following way:

> "The great agencies have their editorial leanings too. The AP tries to be strictly non-partisan, but was born conservative. The Hearst services change policy frequently; but they have a fairly permanent isolationist bias. Witness the Hearst

Campaign against the World Court. The UP is agressive, independent, and, as the Scripps-Howard papers at home, definitely liberal. I do not think that employees of agencies ever get instructions to editorialize; their headquarters in New York keep them far too busy chasing facts. Just the same, witness the staunch old AP handling the Soviet disarmament proposals at Geneva, and describing their rejection as the defeat of a nefarious plot, actually as if M. Litvinoff had suggested cutting the ears off all the babies in the world, instead of having had the temerity to come to a disarmament conference and suggest disarmament."[32]

In recent times it has been common practice for the two major services to be lumped together in discussion about the American media industry, and no political difference is commonly discerned, although UPI is still considered 'racier' in its approach to news than AP. AP on the other hand now provides much the same kind of feature coverage that was considered innovatory for agency services before the second world war. Both services came under attack in the re-awakened radical political conscience of the 'sixties for conservatism of practice. Whatever the reality, it is clear that the American daily press tends not to recognize any political difference (although of course the American press itself is often described as generally conservative).

Most daily newspapers in the United States in 1974 had no formal allegiance to a political party or party line (66.9%). Less than a quarter (17.9%) followed a Republican or Independent Republican line, and fewer (13.7%) followed a Democratic or Independent Democratic line. There is a

clear tendency for papers which have a formal party political preference of this kind to take AP rather than UPI and to rely solely on AP than to subscribe to both major news services.

Out of the total daily newspaper population many more newspapers subscribe to AP only than subscribe to UP only or to both services. In fact, sole AP subscribers are 74% more numerous than sole UP subscribers and 124% more numerous than dual subscribers. But if one takes just the politically independent newspapers, the number of sole AP subscribers is 151% greater than sole UP subscribers and 194% greater than dual subscribers, much greater therefore than for the population as a whole. And among the Democrat or Independent Democrat papers, the number of sole AP subscribers is 160% greater than sole UP subscribers and 263% greater than dual subscribers. (There was one newspaper in New York which professed to be left-wing, and this subscribed only to UPI.) On the other hand there was a slight tendency for the general preference for AP to be less marked in the case of Republican papers.

These findings may indicate that there is a general feeling in favour of AP as an authoritive source of regular national political news. It should be remembered that the informal political preference of the American press is much more heavily Republican.[33] But in any case in some respects AP is more suitable on prima facie grounds for a paper which gives moderately heavy domestic political coverage, since

it devotes more resources to in-depth reporting from Washington. In the eyes of Washington news-sources however, there is no evidence that AP and UPI are treated differently as a rule, or as anything other than the most representative of press organizations. Some professional commentators on the press would be happy for example to see the White House left to both the major news services, thus freeing some of the newspaper correspondents stationed there for other work:

> "The wire services have long since demonstrated that they are thoroughly qualified to handle the routine fare of White House news. Frank Cromier, Frances Lewine, and Gaylord Shaw of the AP, and Helen Thomas and Gene Risher of UPI are all fast, informed and professional reporters. Yet, very few news organizations have been willing to rely on the wire services, freeing their White House reporters from straight news requirements to do analytical and enterprise reporting. Some newspapers still demonstrate a bush-league complex by parading their staff bylines on routine White House stories. It is not only an expensive and unnecessary habit; it expends valuable time, energy, and enthusiasm of the reporters."[34]

Authoritive though the wire services have both become over time, there is no evidence that suggests the kind of close collusion between agencies and the U.S.Government that existed in France and still does, and in Britain between the World Wars, although it is difficult to believe that in specific circumstances the Government has always refused the temptation to exploit, albeit surreptiously, the power of influence at the disposal of the agencies. Certainly there has been recognition of common interest at times. In 1920 for instance, Congress directed the

Navy to open transpacific radio circuits to news at a rate low enough to permit competition with British and Japanese charges. This was in response to pressure from AP, which argued that AP's dependence on Reuters, at that time, for transmitting news to the Far East and for obtaining news of that area, meant that the British had the power to influence the American image in the Far East, and could distort Far East news for U.S. consumption. On the whole the record of the American agencies has been better than the European. The American agencies did not open their wires for actual propaganda purposes as did the European agencies in the First World War for instance. The Federal Government even seemed to avoid contaminating the agencies where it could have done so without their consent. At the beginning of the First World War for example, President Wilson set up a Committee on Public Information, one of whose functions was to combat German propaganda in Mexico. Its Mexican director, Robert Murrey, proposed 'to make discreet arrangements to issue a proclamation through the American Chamber of Commerce of Mexico City - thus obviating direct connection with the CPI - to cover partly or in whole, if necessary, the cost to interior newspapers of the Associated Press reports'. However, Murrey was instructed from Washington <u>not</u> to subsidize papers directly or indirectly, or to make financial arrangements with allied committees without further consultation, which appears not to have occurred. Spanish versions of the CPI service were distributed to papers in the outlying areas, and the Associated Press service was

merely 'urged'.[35]

During the Second World War, AP, UPI and INS contracted to provide Government information organizations, OWI and OQAA, with news for dissemination around the world. But the wire services resisted an attempt by the Government, under State Department's William Benton, to co-opt their help in a post-war government information programme for the world. It was one thing to provide news as a patriotic duty in time of war, AP and UP managers said, but quite another to do it when the war was over. Their concern was commercial. If foreign papers could receive agency news through freely distributed Government information services, then why should they bother to subscribe to the agencies? Benton replied that these services would be available in such a way only in areas where the American agencies did not distribute or where newspapers were too poor in any case. In early 1946 AP cancelled its contract to provide the State Department with its wire service, and the UP followed, saying that if it did not, AP would be able to tell its clients that UP was corrupt. (INS and Reuters kept their wires in the State Department.) The AP and UPI did not resume their wire services to the State Department for Government Information use, even though several important editors of member or client newspapers expressed their disagreement with the line the agencies had taken.[36]

Formal collusion of course can be less important than coincidence of value, and there is scope for argument

that a Government-pursued policy of Cold War was eventually successful in shaping the attitudes of agency foreign correspondents, and of the average newspaper editors who received agency services and attended agency conferences. Nevertheless this is a chosen agreement and rather different from Government-dictated policy, one which can end as easily as it begins, as it seems to have ended with Vietnam.

The inspiration of such independence in the case of the American agencies, especially UPI, is largely commercial. Both had argued in the pre-War years that their services were better for the world than the European agencies because they were not allied to Government, and because their Government was not in any case an Imperial Government. In other words, they preached free trade, and believed they would fare best under a free trade system. And if Government's post-war policy of freedom of information around the world was sinister in some respects, the agencies' sympathy for that policy did not follow from quite the same reasoning. The U.S. agencies did not <u>need</u> a relationship with the Government. Their revenue-base amongst the country's media was far too strong for that.[37]

<u>Concluding Comments</u>

The major American news agencies developed in response to the needs of rather different constituencies. Their continued survival in a competitive situation required them to expand to embrace new sectors of the market, and to do so without alienating the old. In doing so they eliminated many of the possibilities of competitive

challenge from outside. UP was generally more open to new markets and new innovatory practices because it was in the weaker position of the two agencies and less fettered by established market ties. AP followed a little way behind. AP's loyalty to its original clientele was progressively weakened from 1915, the year in which it started a service for evening papers and when, to further attract their custom, it lifted the rule which prohibited its members from subscribing to alternative news services. The final AP membership restrictions however were not struck down until the United States District Court in 1944 prohibited AP from excluding any newspaper from membership by reason of its competition with a member newspaper. The Association's bye-laws consequently forbid members or directors, when voting upon an application for membership, to take into consideration the effect such an application, if successful, might have on competing members in the same city or field.

Even supposing that the bye-laws can in fact eliminate this possibility, there are still ways in which AP (and UP) can make things awkward for new entrants on to the market in order to cushion the competitive impact on more established customers. Such cases were uncovered before the Subcommittee on Antitrust and Monopoly, Senate Judiciary Committee in 1967.[38] Publisher Evan Mecham told the subcommittee that UPI charged very heavily and demanded advance payment when his paper in Tucson (circulation 15,000) wanted UPI, because a rival paper in the area

already subscribed to the service. He had to deposit $53,000 to get the wire 'in the door'. "The service is available if you can afford the price", he said, which was not the case necessarily with syndicated features or columnists. Gene Stipe, State Senator from Oklahoma and publisher of McAlester Democrat in Oklahoma, related how AP had failed to keep appointments to discuss the possibility of providing him with its service. When he approached UPI it required him to pay for 5 years' in advance on a non-cancellable contract, but later reduced this to 1 year in advance. He thought the wire services were more lenient with radio stations. Michael G. Dworkin, president of the Daily Press in Detroit, said that after a four-month strike in 1964 he was unable to continue publishing partly because UPI refused to provide service at reasonable rates. UPI asked for a five-year contract at close to $2,500 a week and to pay the last year in advance - an amount in excess of $128,000. William Loebb of the Haverhill (Mass.) Journal said he eventually received UPI service by signing a two-year contract and paying one year in advance, although Loeb was brother-in-law to Charles Scripps, head of E.W.Scripps Company. Thus, although the wire services are obliged to provide their services to whoever is able to pay they can make it difficult for their clients to pay if it so suits them.

Despite this evidence of oligopolistic practice, it remains the case that a situation of market monopoly by a single agency in the United States was never economically necessary, as it arguably was necessary in European countries.

The market was strong enough to bear two major services, and public antagonism to the idea of a monopoly agency, if not strong, was at least discernable. Each agency's share of the media market still exceeded in revenue terms the entire media market revenue of most other countries. Backed by such support and without the taint of evident Government control, these agencies were from the turn of the century able to mount a growing challenge to the European agencies, and to establish a global network of news-gathering and distribution facilities.

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CHAPTER FOUR: The Struggle for Foreign Markets - Europe and North America

The early Reuterian principle of equal service to all clients has never stood up to thorough examination of the agency system as a whole. Not all parts of the world are of equal interest to the agencies, so that clients in certain areas are bound to be disadvantaged by comparison with others. Europe and North America in particular attract a very substantial proportion of all news-gathering resources.

This chapter and the one following it are concerned with the factors that help explain the wide variations that appear from country to country in the resources for news coverage that are committed by the major news agencies as well as variations between each of the major agencies in the different world regions. It begins with a brief note on the distribution of the larger agency bureaux around the world (this and related factors are further discussed in Chapter 10). It then proceeds to an examination of the relative agency commitments in the two wealthiest media markets - Europe and North America. In Europe it concentrates on the slow emergence of the American agencies on the European market; in the North American section it concentrates on the problem of why, given the wealth of the North American market the presence there of Reuters and Agence France Presse has not been stronger. Chapter Five goes on to consider the nature of agency involvement in the Third World.

Whether a country attracts considerable or only slight attention from a global agency is not simply a factor of a country's geographic or population size, nor even a factor of its political power in the world. These considerations have some importance but far from determining importance. Otherwise a country like Indonesia, with 125 million population, would require a much larger editorial representation than, say, Italy, with much less than half that population. But Italy invariably receives more attention in this sense (cf. Table 8). Similarly, if political power was a determining factor, Moscow bureaux would be much larger than bureaux in Buenos Aires. But the reverse is true.

The survey of major world regions which follows suggests a number of factors which help explain such differences in the strength of agency representation in different countries, as well as disparities in agency content (discussed in Chapter 12). The most important of these can be categorized as (i) <u>historical</u>, referring largely to the continuing influence of the old agency cartel practices;

(ii) <u>logistical</u>, referring to differences between countries in their importance as possible strategic or communication centres for coverage of wider geographic regions;

(iii) <u>political</u> factors arising from controls or restrictions imposed by given countries on visiting correspondents and

(iv) most important of all these, <u>commercial</u> factors arising out of differences of market-pull between different areas of the world, and differences in the responsiveness

of the agencies to the news requirements of different markets. Among the world regions, the European and North American markets have special 'pull' in market demand because of the media wealth they represent, and for the same reason the so-called 'general world demand' elicits responses which are heavily weighted in their favour.

Factors that Determine the Location of Major Bureaux.

A country is typically covered by an editorial staff of between one and five persons per agency. Regardless of the number of editorial staff, very few of these are actively engaged in news-gathering above and beyond monitoring the local media, rewriting and translation - generally one or two. Only a handful of countries are covered by agency bureaux exploying ten or more editorial staff each. Most of these countries appear in the sample of bureau sizes in Table 8. In Europe there are (1975) bureaux this size in the United Kingdom, France, Italy, West Germany and Belgium. Not all the agencies maintain large bureaux in each of these countries: in Italy it is only the American agencies; in West Germany, only Reuters and AP; in Brussels, only Reuters and UPI.

To take an example, London is important as a market, as a centre for news of interest to the world, and also as a logistical or support base for the rest of Europe, the Middle East and Africa. But UPI recently shifted its European Head Office (for Europe, the Middle East and Africa) to Brussels, so naturally Brussels is one of its largest

TABLE EIGHT

FULL-TIME BUREAU EDITORIAL STRENGTH IN 30 COUNTRIES:

ONE AMERICAN AGENCY

(Source: Interview data 1971-5)

	City	Country	Population '71 (000,000)	Agency Editorial Staff
1.	London	United Kingdom	53	40
2.	Paris	France	51	26
3.	Rio de Janeiro	Brazil	93	21
4.	Tokyo	Japan	105	16
5.	Beirut	Lebanon	3	15
6.	Saigon	S. Vietnam	18	14
7.	Rome	Italy	53	13
8.	Buenos Aires	Argentina	23	11
9.	Cairo	Egypt	34	9
10.	Hong Kong	Hong Kong	4	8
11.	Vienna	Austria	7	6
12.	Bangkok	Thailand	35	6
13.	Brussels	Belgium	10	5
14.	Djakarta	Indonesia	125	3
15.	Manila	Phillipines	37	3
16.	Taipei	Taiwan	15	3
17.	Hague	Netherlands	15	3
18.	Athens	Greece	9	3
19.	Moscow	U.S.S.R.	242	3
20.	Bogota	Columbia	20	3
21.	Canberra	Australia	13	2
22.	Seoul	Korea	31	2
23.	Phnom Pehn	Cambodia	7	2
24.	Singapore	Singapore	2	2
25.	Dacca	Bangladesh	65	2
26.	Kuala Lumpur	Malaysia	10	1
27.	Oslo	Norway	4	1
28.	Copenhagen	Denmark	5	1
29.	Nairobi	Kenya	11	1
30.	Prague	Czechoslovakia	14	1

bureaux. Reuters maintains a sizeable staff there because Brussels is an important news-centre, but especially so for economic news stories - a special interest for Reuters. France and West Germany are important markets and news-centres; Italy is an important market, but no longer (1975) considered one of the leading news-centres.

In the Middle East, only the Lebanon (up to the Civil War in the mid '70's) has bureaux of ten editorial staff or more. This is because of Beirut's strategic location for coverage of the Middle East conflict story, as well as being a news centre and a moderate market. There are no bureaux of this kind of size on Continental Africa. In Asia, major bureaux are to be found in Japan (all agencies), Singapore (1 agency), Hong Kong (1 agency) and up to the end of the Vietnam war in South Vietnam (American agencies). Japan is both a news centre for a story of global interest (Japan's economy) and an important media market. Singapore and Hong Kong are regional communications centres, and moderate markets, but do not themselves generate much news of global interest. South Vietnam is of course a major news centre but is almost non-existent as a market or as a communications centre.

In North America the European agencies naturally maintain sizeable bureaux in New York and Washington, but until Reuters' recent attempt to cultivate a stronger clientele in the United States, this has not been an important market for them. In South America, the major bureaux are to be

found in Brazil and Argentina, where the American agencies in particular have high editorial strength - exploiting the major South American media markets, even though the agencies do not typically consider these to be major news-centres for news of global interest.

Within the major world regions there are great differences of emphasis therefore. In Japan, the Western global agencies collectively maintain around fifty editorial staff; whereas Indonesia, with a 20% greater population and five times the land mass, is host to only eight or ten agency editorial staff. One might well wonder whether figures of ten or more editorial staff per agency are anywhere near adequate. The leading Japanese papers after all, Asahi and Mainichi, employ total staffs of 8,000 persons each.

Most of the countries in which there are sizeable news-gathering teams are also countries the agencies consider at least fairly important as revenue centres. There is not necessarily a direct relationship between placing men in a country and drawing revenue from it, but interviews with bureau chiefs suggest that it certainly helps to be able to show that local revenue exceeds local cost when it comes to requesting additional staff. All the agencies encourage their bureau chiefs to think in these terms, and bureau chiefs have become progressively more involved in business considerations and client-relationships as a result.

In revenue terms there are important differences between the major world regions which help explain the continued emphases in agency wires on news of Western Europe and North America (which are the wealthiest media markets) as well as some of the other content characteristics discussed later in Chapter Twelve. One region which all four western global agencies regard as a profit centre is Western Europe. This is the most important region overseas for the American agencies, and the single most important region for the European agencies. North America is Reuter's second most important revenue centre, although that revenue cannot be regarded as profit to be invested outside of North America - it is still consumed in costs. For AFP North America is primarily a cost burden; otherwise the French agency's overseas markets outside Europe are fairly evenly spread through the other major world regions. Reuters is about equally involved in Asia and the African - Mid East region, but has fewer revenue possibilities in South America than AFP. The American agencies on the other hand are strongly entrenched in South America which is their most important region outside Europe, followed by Asia and, a long way behind, Africa and the Middle East.

New Agencies in the Old World

The principal structural feature of agency organization in Europe until well into the Twentieth Century was an oligopolistic division of the market in which the American agencies figured hardly at all. The gradual expansion of

American agency invasion of foreign markets was triggered in the first place by the competition between them for domestic clients; but what is most remarkable is their very modest progress (especially in the case of AP) in establishing overseas markets, relative to post World War II developments. Expansion was especially rapid and competitive in the immediate post-war period, but the salience of American agency expansion in Europe has arguably declined in recent years.

For about seventy years the national media of most European countries had but one main source of international news apart from their own foreign correspondents. This was because the cartel agreements between Wolff of Germany, Havas in France and Reuters in Britain, and which were also signed by newly emerging national news agencies elsewhere, eliminated market competition. Within the larger countries there were a few small alternative sources - like Central News in London, as we have seen - operating outside the cartel system, but these were never of primary significance.

Within Europe, Havas news went to France and Southern Europe; Wolff's news was distributed to Austria-Hungary and Northern Europe. Reuters in fact did not have a strong business presence on the Continent after 1870 except in the Low Countries. Each of the big three agencies would take news from the other two, and distribute a selection of this news, along with its own, to clients within its exclusive territory.

After the First World War, Reuters and Havas divided the overseas markets of Wolff between them, confining the German agency for the most part to its home market. Reuters became a major supplier in Northern Europe; Havas extended its influence in the region that had once been the Austrian-Hungarian empire.

Up until this time the European (retail) media were hardly aware of the American agencies. AP began placing correspondents in Europe after the Spanish-American war, encouraged to do so by some European ambassadors (who were possibly aware that Reuters acted as main filter of European news to America, and thought AP might do well to cultivate its own sources), but there was no question of it selling its news service independently in Europe, and it was a long time before AP considered the desirability of doing so.

UP on the other hand had no obligations to the European cartel. Almost as soon as it was established in 1907, the agency began organizing a news-gathering and distribution network primarily in Europe. By 1909 it had bureaux in London, Paris, Berlin and Rome, headed and mostly staffed by Americans. This news was supplemented by arrangements with smaller European agencies, like Extel in London, Hirsch bureau in Berlin and Fournier Agence in Paris. News exchanges with such agencies helped UP compete with AP's foreign news sources, and helped the small agencies compete against the large. There were also exchange arrangements with some of the larger metropolitan papers.

Competition from UP spurred AP to further overseas investment, and helped bring about AP's secession from the cartel. In 1900, AP had four forwarding stations in Europe, in which its representatives put together cable dispatches from reports supplied by the several European agencies. By 1910, the number of such offices had grown to 16. But the major news sources were still the large European agencies. The purpose of the forwarding bureaux was primarily to increase the speed of transmission of news to U.S. clients, and to rationalize the selection of European news (and other world news channelled through Europe at that time, including Asian news) for the American market.

The First World War served to augment the representation of the American agencies in Europe. There has been no factor more powerful than war to explain the major expansionist periods of the agencies. Wars also encouraged other media to increase their foreign staffs, to print much larger quantities of foreign news, and thus to create a public appetite for it.

> "When the World War broke out practically all of the American daily newspapers were served foreign news by the press associations. The bureau men in foreign capitals, who relied heavily for their material on the local press and on the press associations in the countries in which they operated, were not equipped to cope with the sudden demand for large volumes of news from belligerent countries. Consequently the press associations rushed scores of men to Europe late in July and early in August of 1914. These reporters were supplemented by an army of correspondents sent by large metropolitan newspapers and by magazines, and by free-lances who sought to get a ringside seat at the arena where the story of the century was unfolding."[1]

In 1916, UP acquired its first major South American client- La Prensa of Buenos Aires. La Prensa wanted European coverage which was less partial than the service it customarily received from Havas. But it did not want the sentimental populism which had helped establish UP with the American evening press. It wanted terse, factual material, and UP learnt to provide it, and reports to La Prensa from Europe had to pass through New York where editors were exposed to the new style. La Prensa was UP's wealthiest overseas client, and its subscriptions helped pay for the expansion of the agency's European network.

By 1933, UP could claim 350 overseas clients for its services, accounting for 20% of its total income. "For UP abroad is not only an army of newshawks. In part it is also an army of salesmen of UP's export business."[2] Clients were concentrated in two areas: Europe and South America. And UP had a strong lead.

> "Both (AP and UP) then set about ramifying their services throughout Europe and the East, so that, certainly as far as the UP is concerned, their work in Europe is almost as largely the distribution and sale of news - to European clients - as the gathering it for America. The UP services go to papers in Hungary, in Spain, in England, in Japan, in Germany, in a dozen other countries. The Hearst services attempt the same thing. But no other organization is half so successful at it as the UP."[3]

In the 30's, UP claimed to have 30 bureaux overseas, as against AP's 20. American agency expansion was helped by a relative decline in the foreign news-gathering strength of independent American newspapers. In 1930, only seven U.S. papers had extensive foreign services of their own;

of these, four were in New York, two in Chicago.

Incoming press telegram matter to the United States was more than double the volume of outgoing material between 1916 and 1929, but while incoming matter increased $2\frac{1}{2}$ times in that period, the volume of outgoing news quadrupled - indicating both the expansion of overseas news service sales and of foreign press coverage of the United States.

AP was long inhibited by the European cartel agreement. It began to break away from the cartel not in Europe but in South America where UP had achieved its first major overseas successes, and in South America it was not Reuters that was challenged so much as Havas. Despite their co-operation in maintaining their separate markets exclusively, Reuters and Havas were ambiguous in their feelings for each other's prosperity and Reuters may secretly have welcomed Havas' misfortunes at the hands of the American agencies in South America. After South America, AP challenged Reuters more directly, but in Asia. Not until AP's participation in the cartel came to an end in the 'thirties, did it begin to sell in Europe. When it finally broke away, AP signed an agreement with UP, whereby both agencies pledged never to enter into exclusive agreements with any European agency (which would exclude the other) and never to accept any such unfair advantage in coverage of news in European countries.

Neither agency did especially well in Europe, with the major exception of British United Press in the United Kingdom,

which distributed UP overseas news to the British press. Europe was a very problematic market. Havas was especially well-entrenched in France and had plenty of scope for retaliation against any paper which subscribed to alternative global agencies. The main British market share was of course held by Reuters. In most other countries there were strong national agencies with links to the cartel and which distributed foreign news to their respective media clients. They might have had the will to subscribe to alternative agencies, but few were prepared to risk excommunication from the cartel, and it is doubtful whether the American agencies could have provided at that time a service of European news that was in any way comparable with that of the major European agencies.

UP suffered one particular disadvantage in overseas sales. Because it did not have exchange relations with the major national agencies and the agencies which organized the cartel, it did not have access to their official news - many of them were in any case official news agencies - and official news, even if it is the easiest to collect, is very important to be able to provide, and to provide at the greatest speed. After AP broke from the cartel, it too had to cultivate its own sources of official news.

The American agencies were of course important sources of American news. But on the whole the demand for news of the United States between the wars was nowhere near as great as after the Second World War. There was too much

happening in Europe. The PEP report on the British press in 1938 drew attention to what it considered the particularly conspicuous inadequacy of reporting from the United States. Only two British papers at that time, the Daily Telegraph and the Times, had their own full-time correspondents in the United States, outside of New York, and some national papers had no correspondents in America at all. The report concluded:

> "Some part of Anglo-American misunderstandings must be attributed to the inadequacy of the press mechanism in informing British readers of what America is thinking and doing."[5]

Like the First World War, the Second brought a new flood of American journalists to Europe. In the immediate post-war era, the American agencies had some strong, though temporary advantages. The new French agency was struggling into existence, unable to find sufficient media revenue, therefore dependent on State help. Whereas Reuters had suffered the war loss of clients and facilities, this was a less important factor for the American agencies whose overseas facilities before the war were not as elaborate in Europe, the Middle East and Asia as those of the European agencies. The domestic markets of the American agencies were left intact after the war.

In France, as we have seen, the American agencies quickly settled themselves into the market after the Liberation. UP had only three clients in France before the war; a year after the Liberation it had 46. AFP could not immediately establish a comprehensive foreign service and in France itself was not yet fully trusted: these factors,

together with the increased demand for American news after the war, worked to the advantage of the American agencies.

In most West European countries, the American agencies registered an increase in the number of clients after the war. In some countries the agencies had first begun to sell their services in the war years. AP for instance moved into Sweden in 1943, gained three clients, and after the war had 24. But Spain, Portugal and Turkey required global agencies to distribute through national agencies, so that these countries were not growth markets. Poland and the Balkan countries were poor, their media had little money, and no important gains were achieved there. Czechoslovakia was more promising. But of course gains in Eastern Europe were short-lived.

Before the Nazi rise to power, the German market had been a fairly controlled one, in the hands of two or three major German agencies, and under the Nazis it was completely controlled. After the war, the occupation authorities cultivated a new media system. 150 or so newspapers were licensed by the occupation authorities, most of them in the western zones. Each occupation authority set up a news agency to cover its own area; the agencies of the western zones were to form the nucleus for the founding of DPA in 1949. The first clients for the zonal agencies were the newspapers licensed by the authorities. These western-approved newspapers had a strong market advantage by the time the licensing system ended in 1949 and publishers

who had operated before 1945 were allowed back. The German market was sufficiently strong for both American agencies to act independently there. In 1970 there were 1330 daily newspaper editions in West Germany controlled by 494 publishing houses. 98% of these were served by DPA. But as many as 40% were also served by AP, and 37% by UPI. Reuters at that time sold to DPA. In 1972 however, UPI, as part of its rationalization programme in Europe, decided that the effort of translating for the German market was too costly, and competed for the DPA contract, which it won. DPA was especially interested in UPI's photo service. Reuters was then obliged to distribute independently in West Germany, began its own translation service and gave more attention to domestic German news.

Of all media clients to agencies in West Germany in 1973, nearly all subscribed to DPA. AP's penetration of the market was 45%. Neither Reuters nor AP benefitted much from UPI's decision to sell to DPA the exclusive German-language rights. Instead, a new agency - Deutscher Depeschen Dienst - was formed and staffed partly by ex-UPI journalists. This retained most of UPI's old clientele and quickly achieved a market penetration of 40%, while Reuters' penetration was only 14% (concentrated in the radio field).

In Italy there had been strict government press control under the Fascists before the war and which monopolized distribution of international news. The number of daily

titles increased in the immediate post-war period, from about 60 to 100 in 1946, and 138 in 1958. (During the 1950's it began to fall again, as it did in Germany, to around 100, and by 1970 stood at 82.) The Liberation improved market opportunity: of the 100 daily papers which existed in 1946, 75 subscribed to at least one American service. During the Liberation period, the Allies distributed their own news through the Psychological Warfare Branch (P.W.B.) which also established its own newspapers. P.W.B.'s news was taken from the major private agencies and Allied Government Information services. After the liberation of Rome, Reuters and the American agencies pressed for the right to distribute independently. From January 1945 they were allowed to operate privately - the agencies which did so were AP, UP, Reuters, Extel, and INS. But at the same time the Italian news agency, ANSA, was established as a co-operative by leading daily newspapers. This was later to become the main client for global agency services, so that today only AP distributes in Italian language independently of ANSA.[6] Fortunately perhaps, the dissolution of Stefani was not accompanied by the slicing up of Italy into zones of news influence as in Germany.

Arguably, the American agencies have become, if anything, rather less significant in Europe since the immediate post-war period, although their presence is much more firmly established than it was before the war. In the immediate post-war period there was relatively weak competition from

the European agencies. AFP took time to reconstruct its network of foreign correspondents, and win the respect of the French media. Reuters struggled to find a secure economic footing, but was active enough even then to worry one American observer who reported that

> "Reuters very definitely is alive - and most competitive to our news-gathering agencies and foreign correspondents (Watch Reuters! This agency will give our big press associations top international competition in the near future."[7]

This view was confirmed by the speed with which Reuters moved in after the war to replace some of the old DNB-dominated agreements with national agencies in Norway, Finland, Denmark, Sweden, Holland, Belgium and Switzerland.

American interest in Europe naturally subsided after the war in contrast with the peak war period. AP had 150 staffers in Europe in 1945; this fell to peace-time proportions the following year when the number was reduced to 46.

> "Bureau chiefs told me bluntly that they were being obliged to lay off correspondents because of budget reductions and also because newspapers back home are not printing adequate amounts of foreign news."[8]

European interest in America on the other hand was intense for a good many years, and the heavily American character of AP and UPI was no great disadvantage. Later, after the excitement of the Marshall Plan and the formulation of America's foreign policy for the post-war years, European media may have sought greater diversity of sources. There were economic constraints on American agency expansion. The cost of translation into foreign languages made

distribution through national agencies seem preferable in many cases. When a global agency undertakes its own translation it must translate a moderately high proportion of the original service in order to provide the client with a reasonable choice of stories. When the national language rights are sold to the national news agency which then undertakes the translation, the national agency translates only the stories it intends to send out over the wires, so that it does less translation than the global agency would do, and at less cost. AFP distributed mainly to national agencies in Europe for most of the post-war period; Reuters likewise - with the major exception of France, and recently Germany. UPI turned to this kind of indirect distribution more readily after the mid-60's, and even AP's policy of independent distribution is less firm than it was. In some areas the American expansion into Europe continued very slowly. AP for instance did not start a nationwide service for Spain until as late as 1963. By agreement with EFE, the AP Spanish-language service is distributed through EFE communications, but on a separate wire. In Portugal, AP had no clients at the time of writing.

Coverage of Eastern Europe

The activity of the western agencies in Russia and the Russian sphere of influence has always been fairly restricted, so that today Eastern Europe bears no comparison as a source of revenue, or as an important news-gathering centre attracting substantial editorial manpower, to Western Europe.

This in turn greatly affects the scope and quality of reporting by the agencies of matters concerning the socialist countries. The national agencies of Eastern Europe provide at least a basic source of both official news and revenue; they also represent a number of models for the political control of agency operations which have since been adopted extensively in the Third World.

The activities of the western global agencies in Russia and the Russian sphere of influence have always been fairly limited. There was a Russian agency (RTA) in St. Petersburg at the end of the nineteenth century which from 1893 received a substantial subsidy from the Ministry of Foreign Affairs. This agency had a news-exchange agreement with the German agency Wolff. The agreement originated with the formation of the cartel in 1870, which recognised Russia as part of Wolff's commercial field. The Russian Minister of Finance in 1902 set up an alternative agency outside the cartel, called the Trade Telegraph Agency (TTA), to offset Germany's power over foreign news supply to Russia. The same fear explains how it was that Melville Stone of AP was able to win a lower press rate concession in 1903 for sending news out of Russia. The TTA competed with RTA and tried unsuccessfully to establish its own relations with national agencies in Europe. So in 1904 the Czar Nicholas II decreed that the TTA and RTA should be merged to form the St. Petersburg Telegraph Agency, under the control of the Ministry of Finance and subsidized by it. The connection with Wolff remained, but was no longer so

problematic since relations with Germany had temporarily improved.

The Petrograd Telegraph Agency continued to function as a government news agency upto and throughout the First World War and the subsequent revolution, even retaining the same editorial staff until trained Bolsheviks could take over. During World War One, Reuters and AP both maintained correspondents in Russia; UP relied on available reports in London. Reuters' correspondent in Petrograd was instrumental in helping several editors of the Petrograd Telegraph Agency to escape. The PTA became ROSTA in 1918, succeeded in 1935 by TASS.

UP, not a member of the cartel, secured an exchange arrangement with ROSTA in 1923 (see below). Some of ROSTA's early teleprinters were bought from UP. As for the cartel, the link between Wolff, Havas, Reuters and the agencies of the Balkan countries for transmission of news to Russia was retained after World War One, although in other respects the role of Wolff on the foreign field subsided into insignificance. The link lasted till 1929 when the perfection of the Reuters multi-address radio system meant that it was easier for Reuters to transmit its own news direct to Russia, without the need therefore to pass through German communications.

As for coverage, AP's correspondents were expelled from Russia after the revolution and so were Reuters'. UP's Berlin correspondent, Frank J. Taylor, got to Moscow and

persuaded ROSTA to buy UP before he was expelled to Finland. UP's New York management decided to ignore Taylor's contract, and covered Russia for a while from Riga, Warsaw and Bucharest. In 1924, ROSTA dropped its arrangement with UP, shortly after Russia became signatory to treaties in which Britain and France recognised the new regime, and joined the cartel. Agency correspondents were now allowed to report from Moscow. AP was allowed to distribute TASS news in the United States, and in Moscow it had access to Soviet news transmission facilities witheld from UP. This situation lasted till 1933 when ROSTA announced it would make separate agreements with the agencies, UP included.

Agency representation in Moscow has greatly improved since World War Two, but the number of correspondents is still restricted. The restriction is negotiated through diplomatic circles, and is related to the number of Russian diplomats permitted in the west. The maximum for each agency in the early 1970's was five, although AP, Reuters and UPI had only four staffers each in Moscow at that time. TASS subscribes to all the major western agencies on an exchange basis. As in other communist countries, the western agencies cannot supply media directly other than through the national agency.

Penetration of Eastern Europe by the American agencies before World War Two was not extensive. In the 'thirties UP served three media clients in Poland, two in Austria and a 'scattering' in the Balkans. The principal agency

for the region at that time was Havas, whose news services were channelled through the various national agencies of the region. East Europe was a prolific media area before World War Two; there were 1,100 dailies and weeklies in Yugoslavia alone. Most of these of course were small.

Many national agencies of the Balkan and East European areas emerged out of the old agency of the Austro-Hungarian Empire - K.K. Telegraphic Correspondence Bureau or Corrbureau. One of the first independent agencies that grew out of the network of bureaux established by Corrbureau for example, was the Hungarian Magyar Tavirati Iroda (MTI) in 1881. The Czech national agency, Ceckoslovenska Tiskova Kancelar (CTK), started after World War One, on the basis of the two Corrbureau outposts in Prague and Brunn. Corrbureau was also forerunner of agencies in Bulgaria, Rumania and Turkey.

During World War Two the agencies of this area came under the control of the Nazi agency, Deutsches Nachrichtenburo (DNB), as little more than translation centres for DNB reports. But resistance movements in Albania, Slovakia and Yugoslavia created their own agencies. After the war, the Slovakian resistance agency merged with CETEKA, the official pre-war agency, which stayed independent until the Communist coup of 1948; the Albanian resistance agency became the official Albanian Telegraph Agency. The old Polish agency, Polska Agencja Prasowa (PAP), was

taken over by the new government and MTI in Hungary was taken over by the coalition parties, ultimately to become a part of the Hungarian Ministry of Information. Tanjug, agency of the Yugoslav resistance, is today theoretically independent financially, but its director and managing board of ten members are nominated by the Chairman of the Council for Science and Culture of the Yugoslav government. The Rumanian agency, Rador, operated with French assistance until 1948 when the communist Agerpress was formed. Like the Bulgarian agency, Bulgarska Telegrafitscheka Agentzia (BTA), Rador is also government controlled. In East Germany a new agency was established under the Soviet occupying powers Allgemeiner Deutscher Nachrichtendienst - to become the socialist equivalent of DPA.

The agencies of Communist Europe take their main supply of foreign news from TASS. But TASS has not been the sole source of supply. The East European agencies generally subscribe to the major western agencies on an exchange basis. While Communist agency sources usually receive more attention on their wires, this is not uniformly so. Yugoslavia's Tanjug uses western material liberally. A study in the late 'sixties found that of copy used by Tanjug, 45% came from western agencies and the United States Information Services (USIS), while only 14.2% came from the Communist agencies.[10]

Today the agencies of the Communist countries are very

major sources of news supply to the Western global agencies - much of whose area-related activity is committed to the monitoring of these services. In Moscow, where the agencies each maintain staffs of four full-time journalists, there is more scope for attempts to get beyond official sources of news, although the opportunities to do so are limited. Nevertheless, the agencies have performed particularly well in their terms on the issue of Russian dissidents, so much so that by the early 'seventies other media were tending to regard coverage of dissident activities as a 'routine' story they could leave to the agencies. Critics claim that the attention given to Russian dissidents masks the impotence of western media in their general coverage of Russian State affairs.

The Moscow bureaux of the western global agencies are autonomous, and report directly to London or Brussels. This coverage is generally not linked directly with coverage of other European socialist countries. In other words, reports of news from, say, Belgrade, are filed independently. There are in fact two other centres for coverage of Eastern Europe. These are Berlin and Vienna. Berlin has declined in importance with the political institutionalisation of the Berlin Wall, but is still the main centre for coverage of East Germany. Berlin correspondents report either directly to London, Brussels or Bonn.

Vienna has increased in importance as a news centre for

Eastern Europe. For the western agencies this is the main base from which Bulgaria, Rumania, Hungary, Czechoslovakia and Albania are covered. There are variations in the independence of the bureaux in East European countries in relation to Vienna. In AFP's case, all of them file through Vienna. UPI's full-time staff in Eastern Europe file directly into UPI's computer-controlled distribution system, but their copy is monitored from Vienna.

The news services of the East European agencies are received and monitored mostly in the Viennese bureaux of the western agencies. Vienna is a convenient location for this purpose, close as it is to the borders of Hungary, Czechoslovakia and Yugoslavia. It is in fact a communications centre for the entire news flow between west and east, barring Russia. The Austrian news agency, Austria Presse Agentur (APA), controls the communications infrastructure that make this possible. East European agency services are provided in English, except the Albanian service, which arrives in French. This translation of their services into western languages by the Eastern European agencies is in some cases a recent development indicative of greater awareness of western news media requirements. While it must help the western media considerably, it is also said by some to have a bad effect on the style of eastern agency reporting. Since the eastern agencies are obliged for political reasons to translate their stories almost word for word into English, this can produce what to western journalists appears a very tedious and laborious style of coverage, not helped by the

official character of the news. One respondent considered the Czech agency to be the best translated: until 1968 he claimed some English socialists worked for the English-language desk of CTK; although they were later expelled, they had a lasting and positive linguistic and editorial influence on the quality of the news service.[11]

The Viennese bureaux of the western agencies house staff who can be sent to any East European country; Vienna itself is not considered very important as a news centre. AP has two newsmen in its Viennese bureau (1974); and one photographer. There is an American staff correspondent in Bucharest, and a Czech lady in Prague. Budapest is covered by a Hungarian stringer. Yugoslavia is covered independently by two staffers who file on AP's 'B' wire via Vienna. Warsaw is also covered independently. UPI has one newsman in Vienna, in addition to staff who translate the service into German for Austrian clients. There are full-time staffers in Warsaw, Prague and Belgrade. The Prague man is Austrian; an American covers Poland and an Englishman covers Yugoslavia. Local stringers have responsibility for Bucharest, Budapest and Sofia, and file to Belgrade. The full-time staffers file directly into the computer system, but editorial surveillance is maintained in Vienna, with which there is almost daily contact. AFP has a staff of four in Vienna, and French correspondents in Prague, Warsaw and Belgrade. Local stringers cover Budapest and Sofia. There is nobody for Bucharest.

Reuters has 3 journalists in Vienna, and one full-timer each

in Warsaw, Prague, Belgrade. The other countries are covered by stringers or by visits from Vienna. None of the agencies covers Albania: it is very difficult to get permission to enter and Albania is not considered greatly news-worthy.

Excluding Russia, but including East Germany, each western global agency maintains around five to eight full-time correspondents on coverage of Eastern Europe, at least a quarter of whom are based in Vienna. There are eight countries involved, with a combined population of over 126 million. Coverage has of course been politically restricted in the past; at present the extent of western news-gathering from inside East Europe is probably increasing as trade relations increase and political tensions reduce. At least two of the global agencies, Reuters and UPI, reported an increase in full-time staff for Eastern Europe during the 'seventies.

The only clients for western agency services in Eastern Europe are the East European national news agencies, who pay part of their way through exchange arrangements with the western agencies. The agencies are paid in 'frozen funds', that is, in 'soft' or local currency that cannot be exchanged for western currencies, except in the case of Yugoslavia and Hungary which have recently transferred to hard currencies. Not able to export their revenue, the agencies simply invest it in local news-coverage, which, slight though some might consider it, has the merit of paying

its way. On the other hand, the problem of foreign exchange can complicate the negotiation for new contracts. And since a lot of the coverage is in fact done from Vienna, outside the East European block, there are still heavy expenses to be met in addition to the cost of maintaining correspondents within the block. Austria is a moderately good market for the western agencies, and so this helps support the maintenance of Vienna as a regional news-gathering centre.

Conclusion to European Discussion

Before World War Two, therefore, the supply of international news for European countries was in the control of the three major European agencies: Havas, Reuters, Wolff. (Wolff or Continental was succeeded by DNB after 1933). Of these three, Havas was the most visible in Continental Europe. Reuters' main area of overseas activity apart from sales to Europe via the cartel was then Asia and the Far East. The American agencies increased their presence in Europe up to World War Two, with UP well in the lead; but they were truly well-established in only one place, and that was London. For AP, South America was a more important overseas market, and for UP South America certainly competed for attention with Europe, while both agencies were also keen to open up Japan and China.

The contemporary market dominance of Europe and North America in the agencies' foreign news-gathering activities therefore

is in some respects a post-war phenomenon. Unable to penetrate Europe to the extent they would have liked the American agencies at that time devoted proportionately more attention to South America; while Reuters, with little to gain in Europe outside of the UK and of its sales to the cartel devoted more attention to Asia.

After World War Two, the American agencies built up a relatively strong presence in Europe, and were much helped by the temporary setback of the British and French agencies, whose loss of markets in many parts of the world was considerable, and by the generally freer market conditions that prevailed by comparison with the pre-war era. This expansion never obliterated the European agencies and in recent years there has been some reduction of American agency activity in Europe, which nevertheless constitutes their most important overseas revenue-area. There is certainly a far greater choice of news agencies open to European newspapers now than at any time before the Second World War.

For political reasons, western agency coverage of Russia has always been closely restricted, both before and after the 1917 revolution. Coverage of Eastern Europe has never been extensive by comparison with Western Europe, but appears to have improved slightly in the last two decades. Russia and Eastern Europe are not important markets for western agencies, though they do help to cover the costs of news-gathering, nor does news of this part of the world figure prominently on agency wires (see Chapter Twelve).

Old Agencies in the New World

The United States is the world's largest single media market. Yet for over one hundred years, neither Reuters nor AFP seemed to pay it much attention. In the 'sixties Reuters at last appeared to give the U.S. market priority attention but AFP's North American presence has improved only slightly. Perhaps the longest-standing failure of the European agencies was their reluctance to adopt innovatory and aggressive tactics in relation to the United States. To some extent this seems to contradict the general principle that wealthy markets attract the most agency resources. But the strategies of the European agencies in relation to the United States were for long blunted by the oligopolistic control established over that market by the American agencies themselves, and by the European reluctance to put up the kind of capital that would have been necessary to fight such control. Their failure is both testimony to the advantages enjoyed by an agency on its domestic ground, and also to a certain laziness of mind engendered by the cartel framework of European agency operations before World War Two.

Reuters began well: the Baron's reputation was greatly enhanced, according to Storey, by his agency's coverage of the American Civil War, and in particular by his special 'American telegrams', which had demonstrated the advantage of regular, factual surveys of events over the longer commentaries of newspaper correspondents.[12]

On the North-East coast of America these telegrams might not have gone down so well had Reuter distributed them there,

which he did not. Many of his first clients were in or associated with the English and Southern U.S. cotton industry, and the agency was accused of a pro-Southern bias on this account. The English tended to favour the South in any case, while the French, whose papers ceased to credit Reuters news reports in this period, preferred the North.

Civil War aside, Reuter's attention was too much taken up with the problems of pushing the boundaries of his Imperial coverage, and with European affairs, to be too concerned with American coverage or with establishing his agency in the United States. The agency was open to American journalistic technique, as its eventual response to competition from Dalziel served to illustrate, but stood aloof from the competitive domestic U.S. market.

During the crucial years of AP's internal and external struggles, Reuters was otherwise engaged. Independent news-coverage was not considered so great a priority then as it is today, as the European cartel and its consequences well proved. One reason for this, it must be remembered, was that Reuter, Wolff and Havas had all at one time worked alongside each other. They knew one another, knew how each operated and the limits of their professional integrity. In other words, they did not much mind depending on one another's news services because they had reason to think that they could do so with confidence. And it saved money. It was not surprising therefore that Reuter should expect his main news supply of America to come from a proven

American agency. He did not want to become involved in the risk and expense of a big independent news-gathering and distribution network of his own in the United States. In the late 1860's and 1870's in fact, his news service could hardly pay its way by itself; only the commercial department and the service of telegrams to and from the east kept the company financially afloat.

In the late 1850's, news of America would arrive in London or Paris by way of incoming ships, and news transmission could take between twelve to fifteen days. Reuters and Havas had stringers in the United States, but they could not afford full-time correspondents. Nor could AP of New York afford a full-time correspondent in Europe. There was no mutual co-operation between the agencies at this time; France had little interest in news of America; and the news which was distributed tended to consist of very short bulletins followed by Stock Exchange quotations.

The Civil War, which began in 1861, helped stimulate European interest in America. When the Federal frigate San Jacinto arrested the English Trent, Reuters sent a correspondent to the United States for the first time. The French expedition to Mexico meanwhile also stimulated French interest, although the story itself was covered very inadequately - the fatal climax and Maximillian's death were reported by an Austrian ship captain at Vera Cruz, who crossed to New Orleans and telegraphed the news to the Austrian Minister in Washington, who in turn tele-

graphed it to the Austrian consul in New York and to Ballplatz. The news came from there to Brussels by boat and was picked up in Brussels by Havas.

News flow improved dramatically with the successful laying of the Transatlantic cable in 1865. The project was headed by Cyrus Field, a New York businessman with newspaper interests, but the capital came mainly from Britain - in particular, the Magnetic Telegraph Company, and with some British Government support as well. Very little American capital was raised for the successful venture.

Not long afterwards, in 1866-67, AP opened a London bureau, and concluded an exchange arrangement with Reuters. Havas was more interested in the Latin countries, both of Europe and South America: Because of Reuters' agreement with the government of Hanover in 1866 for use of the England-Norderney cable, Wolff, a Prussian agency, decided to deal independently of Reuters for its supply of American news, and signed an exchange agreement with Western AP. Reuters sought a foothold on the German market at this time, so successfully that by 1869, Wolff was willing to return to the fold and negotiate. In 1870 the three European agencies signed the agreements that were to establish the European cartel. Wolff agreed to take US. dispatches from Reuters. At first the United States was regarded as neutral territory as far as selling their own services was concerned, where the agencies could operate freely. But the first general

treaty between AP of New York, Reuters, Havas and Wolff was signed in 1875, and this was negotiated by Reuters, which clearly had a closer relationship with the American agency than the other European agencies, by reason of language, history and geographical location. Under this agreement, the European agencies would provide AP with their information, and AP would provide them with news of America, through Reuters. AP agreed not to sell its service to anyone else in Europe; nor to sell in South America (which under the 1870 agreements was Havas' territory). The European agencies undertook not to deal with anyone else in North America.

When Western AP broke away from AP of New York in 1885, it once again signed up an exchange agreement with the German agency, Wolff. The 1870 agreements were coming up for renewal in 1890 and in Europe Wolff was considering ways in which Havas' dominant position could be crushed, thus endangering the alliance. By 1890, however, the crusade against Havas had failed, and Wolff returned to the old position of 1870. In America, Western AP exposed the secret trust between AP of New York and the old UP, and thus established itself as the leading agency. Western AP competed with UP for the contract with Reuters (a deal with Wolff alone could not have provided the full European service in any case, without the co-operation of the other agencies). On the recommendation of its own New York correspondent-manager, Reuters finally decided to award the contract to Western AP in 1893, thus helping to

secure the defeat of the old UP.

In the 1890's therefore, Reuters had one correspondent in New York who helped channel selected AP and general American news to Europe. This correspondent represented all the European agencies. Havas suggested to Reuters that they might usefully set up a common agency bureau in New York in 1891, but this was not followed up. In 1902, Havas considered having a separate New York bureau, but did not actually do this until 1913.

By the time Reuters and Havas were becoming more interested in American news, the American agency situation had begun to consolidate. The expense of establishing an adequate internal communications network for news-gathering and distribution, however, would probably have still deterred the European agencies from trying their luck in the American market. Instead they were defensively inclined to make concessions to the growing power of AP hoping to contain AP's potential within the cartel framework and recognising as territories in which AP had a natural right to sell its service Cuba, Puerto Rico, Hawaii, the Philippines and Central America. AP also expanded its news-gathering facilities in Europe.

After World War One the American agencies were decidedly on the offensive, and while they invaded South America and the Far East, the European agencies do not seem to have considered invading the North American market, and they

might have thought the cost prohibitive anyway. Only in the 1930's, when AP had formally disassociated itself from the cartel, did Reuters seek to enter the general market - by selling news to dissident radio stations at the time of the Press-Radio Bureau agreements. This market lasted only as long as AP and UP refused to deliver news to radio unconditionally. Coverage of North America by Reuters and Havas was minimal. Some French newspapers complained, and concern was expressed in Britain abou the shortage of American news in the British Press.

Agence France Presse in the United States

AFP did not conclude an exchange agreement with AP until 1949. Previously, it had tried to persuade AP to accept an agreement which would have prevented AP from selling independently in France, but this was unacceptable to AP. Before 1949 AFP had an exchange arrangement with Transradio Agency, which died with Transradio in 1951. For a short while in the early 1950's, INS had an agreement with AFP, and distributed some AFP news to its U.S. subscribers. INS undertook the selection and translation. Apart from a few French-language papers in the United States, AFP had no other presence in the American market until 1961 when it began to sell, where it could, on an independent basis. The service was provided in French. Not until 1967 did AFP provide an English-language service for the United States.

For AFP, the United States continues to be an expensive

(probably the most expensive) news-gathering centre, where few of the costs can be offset against sales. In New York and Washington sizeable bureaux are maintained, with 12 and 6 editorial staff respectively, in addition to three sub-editors at the United Nations in New York. The AFP office is located inside the AP building on Rockefella Plaza, and AFP still subscribes to the AP domestic service, for which in part exchange the AFP domestic service is available to AP's Paris office. In addition to the exchange, AFP in 1972 was paying AP approximately $200,000 a year. Evidently the AP domestic report is the backbone of the AFP American news service. A senior AFP executive in the United States claimed that AFP's Washington coverage originated 50% of the time from its own reporters - the rest originated from American media.

Communication costs are the major inhibiting factor that prevent AFP building a stronger US clientele. To sell direct to the Los Angeles Times in 1972, for instance, would have cost something in the order of $3,000 a month on communication costs alone, so that the charge to the LAT would have been even greater. Whatever AFP had to offer it had nothing which the LAT wanted that badly. Even if communication costs had been cut by half it would still not have been an economic proposition for AFP to sell direct to papers in the west. If there were numerous clients on the route to the west, or in the region of the wire terminus, perhaps it might have been conceivable. But only the large papers in the United States consider

taking supplementary services as a rule, and these are well spread out geographically. In practice, the particular problem of selling to LAT was taken care of when AFP signed a contract in 1973 to sell its service to the Los Angeles Times-Washington Post News Service. This was partly a reward for AFP's remarkable scoop that year on the Munich Games assassination. Teleprinters for the AFP service were installed in the Washington Post office only a few days after the scoop. That same week, the New York Times used the AFP story, and mention of it was made in Time magazine. AFP already sold a partial service to the New York Times. The new contract meant that the AFP service had only to be fed into the Washington Post, which has its own teleprinter communications with the Los Angeles Times.

Reuters in the United States

When AP finally withdrew from the cartel in 1933, Reuters was in a poor situation economically, as a combined result of the American initiative, bad debts and the general depression. There was no question of a major drive on U.S. markets, although, as we have seen, it did try to enter the radio market while that lasted. The client situation improved after World War Two, when Storey says there was a record increase. Reuters began regional transmission to North American clients after 1944, put out by the British Post Office in morse, and had 30 newspaper clients there in 1946, Two years later the North American desk in London was first established, and remained there until 1972 when it was transferred to New York.

By 1966 Reuters reached 7.3% of the American dailies which subscribed to supplementary services, but this had fallen to only 4% in 1974. The Editor and Publisher Yearbook for 1974 records only 28 daily newspaper subscriptions to Reuters; 18 of these are on the east coast; nearly all (24) serve the larger communities (over 100,000); 22 are in the larger circulation brackets (50,000+); and 17 were morning papers, all-day or both morning and evening papers (a much higher proportion than for the total daily paper population). Eighteen of the Reuter subscribers also took both AP and UPI; of the other ten, 8 took only AP and 2 relied only on UPI.[14]

Most newspapers taking supplementary services in the United States are the larger big-city newspapers, and Reuters' clients are therefore no exception. They include for instance the New York Times and the Los Angeles Times. But there are some others which are mildly surprising, like the Rapid City Journal, an evening paper in South Dakota with a circulation of 34,000. Reuters is nowhere near as strong in the United States newspaper market as the leading American supplementaries like the Los Angeles Times-Washington Post news service or New York Times news service.

But this disguises some important advances made by Reuters in North America in the 'sixties and 'seventies. In 1967, AP refused to renew the exchange arrangement it had maintained with Reuters since the end of the cartel, whereby

AP made its domestic service available to Reuters and the PA was made available to AP in London. The exchange was an equal one, involving no additional cash. By 1967, AP considered that America was too important a news-centre to justify an equal exchange, and said that the provision of AP's domestic service would now cost Reuters an additional £110-120,000 a year.

It was absolutely necessary for Reuters, as it was for AFP, to maintain reasonable coverage of the United States for overseas clients. AFP, also faced with a heavy increase in subscription to AP that year, decided to pay up rather than substantially increase its North American coverage. Reuters on the other hand, already enjoying the consequences of a greatly expanding operation in the field of economic news services, decided it could afford to go it alone and do without the AP domestic service.

Reuters immediately began to build up its reporting strength, going beyond New York and Washington to establish new bureaux in places like Chicago, San Francisco, Miami, Atlanta and Houston. New journalists were paid on a scale that competed with those of the American agencies. This helped substitute the AP service, but not to sell the news service in the States. Reuters' share of the supplementary market fell in the daily newspaper field, and the company's 1972 report admitted that the American media market was 'difficult'.

Reuters Economic Services in the United States

Reuters' main advance on the United States market occurred in the economic news services. The British agency had started selling economic news in the 1920's with its 'American Markets Service' for non-media clients, and this had always tended to do rather better than the media market. Under the post-war 'Comtel' label, it had what one senior HQ executive described as a 'nice tidy little business of about a million dollars turnover'.[15] This service was principally a commodity service - that is, it dealt mainly with prices for metals, cocoa, coffee and items for which there is no major US production but some considerable consumption. For other kinds of economic news, Reuters had an exchange arrangement with Dow Jones, the leading American economic news agency, whereby each provided the other with economic and financial news. Reuters broke from Dow Jones around the same time as it broke from AP, but this time it was an entrepreneurial decision by Reuters to go it alone in the economics field.

Reuters had a good if not dominating reputation in the field of international commodities on the United States market, but not for domestic commodities. These were important though, because the United States is more self-sufficient than most communities, and it was here that real money was to be made. The domestic commodity markets were mostly centralized in Chicago, where up until 1968 Reuters had no correspondents at all.

Communication facilities across the continent had already been improved in the wake of the rupture with AP on the general news side, and were in any case far more substantial than those maintained say, by AFP, because of the existing commodities service.

The principal competitor in commodities was the Commodities News Service (CNS), which had been established in the field since the 1880's. This agency had achieved an almost monopolistic position in domestic commodities, and tended to be complacent with it. It was also dependent on UPI for its source of foreign news. Reuters, which had its own international news supply of course, could tailor this service to its commodities needs, and feed it in faster.

The Reuters challenge was effective; it did not directly compete in all areas, but where it did, as in the grain and bacon markets, it made rapid advances, and CNS declined considerably from its peak position. A senior Reuters HQ executive in 1974 claimed that Reuters had 60% of the commodities market. In 1973 Reuters decided to transfer its editing for the Commodity Report, as well as for the Financial Report, to Chicago, America's principal commodities market-place. There it established offices in the Chicago Board of Trade and the Mercantile Exchange, with a full-time staff in 1974 of eighteen, and a full-time man in Kansas. Before then there had been only one or two full-timers in Chicago, for the General News Service. The total Economic Services staff rose considerably therefore

in the late 'sixties and early 'seventies (in 1971 there were 40 full-time reporters and editors for the economic services, and 40 stringers; most of the full-timers and stringers were American).

Success came less easily in the field of financial as opposed to commodity news. Here the major competition was Dow Jones, which until Reuters came along had the entire brokerage market - estimated at around 5000 tickers in 1967. Dow Jones was strong because it had been the financial news agency for so long, and because it was an off-shoot of the Wall Street Journal, America's most prestigious financial newspaper, and the nearest thing to a national newspaper, with four different printing plants across the continent. Overseas it started a joint news-gathering and distribution arrangement with AP, and also subscribed to UPI.

Reuters linked up with Ultronics Incorporated in 1967 to form the Reuters Ultronics financial news report. Ultronics provided the hardware, especially the communications; Reuters took care of the editorial. In 1971, the domestic Ultronics arrangement was severed when it was thought technological developments had outdated the Ultronics equipment, but overseas Reuters still continued to market Ultronics services. In the United States that year, Reuters had a communications network linking up 450 cities.

The main problem in building up the market for the Financial

Report was attracting news sources who would feed in material regularly to Reuters. A great deal of the initial work consisted of eliciting promises from corporations to provide the agency with their quarterly figures. For most corporations there was a particular advantage in going to Dow Jones, because through Dow Jones they hoped for a mention in the Wall Street Journal. This was not helped by the fact that American Stock Exchanges recognized only AP and UPI as suitable news-gathering organizations to which company figures should be released. Reuters worked at this, and eventually persuaded the Stock Exchanges to change their manuals, and include Reuters as an equally suitable organization.

Reuters executives were optimistic in the early 'seventies. They had after all broken revered traditions and given two monopolies cause for concern - CNS in commodities, Dow Jones in finance. In the past Dow Jones had bought up the competition, but Reuters was not for sale. Reuters was delievering news faster at first - 100 words per minute against Dow Jones' 60 wpm. - until Dow Jones developed a ticker that would deliver at equal speed and took on more staff. Every subscriber Reuters picked up was either a customer who had cancelled his Dow Jones subscription, or one that Dow Jones would have had before Reuters came along. Furthermore, it was not a growing market, but perhaps even a shrinking one. A particular point in Reuters' favour was its pricing system - based on the simple number of teleprinter machines in operation, whereas Dow Jones charged

large organizations as if they had a teleprinter in each branch office, regardless of whether they did or not, or needed to or not. In less than three years, Reuters had 15% of the market; it planned to make a return on its allegedly minimal investment by 1972, and to have as much as 50% of the market by 1973.[16]

The situation looked less favourable to Reuters in 1974. The economic recession had affected both Reuters and Dow Jones negatively, and Reuters may have under-estimated the strength of Dow Jones. Dow Jones took 80% of its income from the Wall Street Journal which paid the major share of the ticker's cost. It had formidable journalistic strength, since every Wall Street Journal journalist also worked for the news agency. In fact the agency had no news-gathering staff purely of its own, which might have been a disadvantage (it did have a strong editing team, however). And Dow Jones had responded quickly to competition: it started to give higher priority to companies actually making news, shortened interviews, introduced a general economic news column 'Heard on the Street' (which was soon countered by Reuters' 'Talking Point'), and in other ways rationalized its service.

Instead of the 50% market share predicted in 1970, by late 1972 one senior Reuters HQ executive was complaining that Reuters had hardly made a dent on the AP-Dow Jones market; another said the actual market share was around 10%. In 1974, Reuters had about 700 installations against a computed

total of Dow Jones installations of 3200, according to Reuters sources, which put its share of the financial market at almost 18%. In these terms still a considerable feat for a newcomer. The fact that it got so far was partly because some large brokerage companies had encouraged competition, believing this would bring down Dow Jones' rates and that competition was editorially beneficial. Although Reuters did sell to companies in the large multi-branch bracket, it did particularly well with one-office clients (which perhaps explained its liberal pricing system), or in other words the smaller companies.

What is certain is that Reuters, by the end of 1974, was happier with its excursion into the commodity news market in the United States than it was with the invasion of the financial news market. Meanwhile, the Dow Jones connection with AP in the sale of economic news overseas had failed to make quite the same kind of dent that Reuters had achieved on the American scene, and in that sense there was an additional, though hidden, victory behind Reuters' assault on the North American market after 1967. This study was written up too late to assess the significance of a joint CNS-UPI economic overseas news service established in 1977.

In 1973 it was estimated that about 60% of all the reporting costs for Reuters' Economic Services were incurred in the United States. One day's analysis of all RES files in 1971 showed that about 40% of the World Financial Service

came from the United States. New York in particular tended to generate the most important financial and economic news for international distribution. The Reuters Financial Report is distributed in Europe without intervention for U.S. clients in Europe. Similarly in Hong Kong and Japan. (This is in addition, of course, to the numerous other economic services available.)

Since the economic services generate well over half of all Reuters' revenue, the importance of the United States as a cost and revenue centre for economic services clearly had important implications for the company as a whole. In the late 'sixties, the prospect of an independent Reuters operation within the United States caused some heady feelings amongst staff there. Some talked of Reuters in North America separating from the London office and setting up as an independent corporation. This kind of speculation may have followed a sense of frustration as business grew faster than management structure could change to cope with it. At that time there were only two managerial personnel, and the rest were editorial, a clearly inadequate ratio for a business that was to generate between three and five million dollars a year. Recognizing the need for stronger guidance of the North American operation, London sent over a manager for North America who had a background in the economic services, and had been in charge of the computer services department during its period of major growth, 1963-68. The growth of economic services in the sixties was closely tied up with developments in computer technology.

Under a clearer management structure, definite policy guidelines emerged for the early 'seventies. One was a decision to abandon the attempt to sell the general news service as the 'world agency number three', a strategy now considered unlikely to be successful, but to sell it as if it were a supplementary service, just like the New York Times news service. It was to do a very complete job on important stories, not to attempt exhaustive coverage of the United States, and to steer clear of routine state news coverage. This was considered too great an investment for work that was personally unrewarding to Reuters reporters, and financially risky. But it may be that Reuters is now in a better position to go for the middle-level American daily newspaper. And the agency in 1974 introduced 'justified' service - ready in other words for automatic feed-in at the client end. It followed by only a few months the decision of several of the leading supplementaries to do the same: New York Times News Service, Los Angeles Times-Washington Post, Knight Newspaper Service. (Reuters also sells to the Knight newspaper group.)

The relative success of the Reuters push into North America had been based mainly on the economic services. In New York, as in Tokyo, there was a feeling that both economic and general news activities should be treated as more interrelated than was customary elsewhere. Because of the international interest in the economic development of Japan, the Tokyo bureau had already integrated economic and general news operations with the same group of editors and filing

editor for both. In 1972 the Tokyo bureau chief, Lee Casey, was transferred to New York, where a move towards integration was planned - at the editorial more than the reporting level.

The managerial division of labour between economic and general news services seemed less logical in North America than in London. The accounting system related the two services in a way that seemed to economic service staff to penalize them. Each bureau had to put in annual budgets to both divisions; news-gathering costs were meant to be divided so that the economic services would pay the general news services for whatever general news facilities they used. This was difficult to do where both were closely integrated, and caused unnecessary friction. Furthermore, when New York management contacted London they would contact general news or economic services staff according to the character of the problem rather than according to their own formal place in the divisional structure, and this caused some confusion of responsibility.

It was an unsatisfactory situation, and brought to a head some general problems about the relationship between the General News Desk and Reuters Economic Services. Eventually, the two-divisional structure was scrapped in favour of a four-divisional structure. The re-organization at the beginning of 1974 recognized what had already been the case, namely the tendency to autonomy in the North American operation, and the illogicality of a management structure which separated what in practice were nearly inextricable functions. The

North American operation was now recognized as a department of its own, with a manager who would sit on the Reuters Executive Board, and who consulted the Board on all important problems (as happened during the strike in New York in the Spring of 1974). But henceforward North America could assess its profits and losses on the basis of operations for which it alone was primarily responsible.

Reuters North America was making an overall loss in the mid-seventies, but looked forward optimistically to a profit situation by the late 'seventies. One reason given for the slow progress was that outside the United States, prices for the economic services could be increased more readily because of the absence of close competition, while inside the United States it was thought more difficult to increase prices without losing clients as competition was too strong.

Meanwhile a number of new services have been introduced that are particularly suitable for the American market. The Reuters Audio service was started in 1972 with a studio base in London. Its most important client is Multibroadcast in the United States, which takes about five voicecasts a day for redistribution to its affiliate stations. In 1973, the news-film agency partly owned by Reuters, Visnews, penetrated the United States market and beat the parallel rival drive of UPITN. During the same period, the sale of news services to CATV systems greatly increased. Reuters pioneered a new system for CATV-

with words fed electonically on to the screen - whereas the American agencies had started with cheaper methods which simply televised their own normal teleprinter outputs. Reuters now holds a respectable share of the United States CATV market for agency services, is behind AP but ahead of UPI (1975). In the first instance Reuters offered a financial service for CATV systems and followed this with sports and general news services. In addition, Reuters now runs the New York Times Tower electronic news ticker.

A major new development occurred in 1974: an information-retrieval system by which subscribers could have instant access in their homes to a wide range of news services via closed circuit television. The news service was jointly initiated by Reuters and Time Incorporated, for general news, horse racing and sport. At first it went only to brokers, bankers and businessmen in Manhattan via Channel 26 on the Manhattan CATV in New York City, but was made available to home subscribers in 1975-6. A subscriber to this system is given an index of subjects, each with a key number. He punches out the number on a device which calls up the information he requires. The system is capable of delivering, and one day may do so, 'hard' newspaper-style copy.

These new services are in addition to innovations in economic news services of which more will be said in Chapter Six. One of these is Reuters' Business Beat, and a 1974 advertisement for this service in Editor and

Publisher illustrated the hard-sell commercial style Reuters has adopted in recent years:

"REUTERS BUSINESS BEAT

is for Business Editors who want copy that is -

LIVE DISTINCTIVE AUTHORITIVE

RELIABLE FAST CLEAR CONCISE

and any one half a dozen other adjectives that Business Editors subscribing to BUSINESS BEAT are using to sing its praises.

They like.....

*the way the service is edited and the good flow of copy they receive in time for their deadlines

*the distinctive writing and the Stock and Commodity market reports and exclusive bylined features and interviews.

*the neat presentation of company news and statistical information

*the early (midweek) delivery of lively weekend features

*the fact that BUSINESS BEAT is based on Reuters' unmatched national and international business news resources. The same resources that are used to produce special services to meet the exacting standards of other experts - bankers, brokers, commodity traders and money managers."

The scope and succes of Reuters' activity in the North American market is an extremely important consideration in any attempt to assess the future viability of Europe's leading news agency, and its ability to continue to compete with the American agencies in technology, ideas and quality of news services.

Canada

In Canada the news agency with the highest market penetration is Canadian Press, the national agency. Of 111 Canadian dailies listed in the Editor and Publisher Yearbook for 1974, information on agency subscriptions was not available in 22 cases, but only three of the remainder did not subscribe to CP. AP went directly to 29 papers (26%), UPI to 17 (15%), and Reuters to 19 (17%). AFP went directly to only one client, in Quebec. Reuters appeared to do better in Canada therefore than UPI, and it also did better than the North American supplementary services. The New York Times News Service had six clients, and the Los Angeles Times-Washington Post had five.

Amongst the global agencies, the American agencies together have always dominated the Canadian market. In the 1870's Canada figured as one of those 'neutral' territories where the European agencies could operate freely, indicating an absence of strong interest. Canada was more important to Reuters as a communications link than as a market. In 1902 for instance, the English put down the first transpacific cable uniting Vancouver in Canada to Brisbane in Australia and Auckland in New Zealand, passing through the British territories of Fanning, Fiji and Norfolk. This was but one year before the United States put down a cable from San Fransisco to Manila, passing through Honolulu, Midway and Guam, which in turn had connections to Japan and China.

AP first began selling in Canada in 1894; UP in 1907. In

other words, as soon as AP of Illinois was established, and as soon as the new UP was formed, each agency looked for clients in Canada in the same breath as they took in America. UP's first client was the Winnipeg Free Press. Later, in 1922, the British United Press was formed by one Charles Candall, who distributed UP's foreign news. BUP's operations in Canada were turned over to UP in 1941.

After the First World War, Reuters took a greater interest in Canada. The British and Canadian governments tried to promote the distribution of Reuters there, but this project was abandoned after a few years in the face of criticisms of the arrangement from CP which distributed the service.

CP was a co-operative agency which started as two separate organizations: the Western Associated Press in Winnipeg in 1907 and the Eastern Press Association, founded in 1908. The newspapers supported these organizations as a way of freeing themselves from dependence on the inadequate service otherwise provided by the railways: the Canadian Pacific Railway held the Canadian rights to the Associated Press service from the United States, but in 1910 surrendered the AP rights to a holding company formed out of the two Canadian agencies under the name of the Canadian Press Limited. This lasted until 1917 when the two agencies merged to form one single Canadian Press. CP subscribes today to Reuters, AP and AFP. It takes these services in New York, and retransmits some 60,000 words edited out of them each day to Canada. It also distributes AP photos.

Reuters does little direct news-gathering of its own in Canada, preferring to rely on CP, which it takes in New York. This has not been an entirely happy editorial relationship, since the CP service, tailored carefully to avoid offending one or other language group and to meet specific internal Canadian needs, requires a good deal of editing for international consumption. In 1975 Reuters appointed its first full-time correspondent in Canada since the War. This initiative was taken by the Reuters North American division HQ in New York in the expectation of an expanding market in Canada for its economic services, and in the CATV field.

AFP maintains a bureau in Montreal with a bureau chief, three editors and a secretary, and an additional correspondent in Ottawa. Its Canadian material is filed out to Europe through New York. The North American AFP service has been received in Canada, in French, since 1964.

Conclusion to North American Discussion

In their overseas operations therefore, not all the agencies benefit directly from all the wealthier media markets. But where there is wealth there is generally news, and through gathering such news for international markets the agencies reap indirect benefits.

While Western Europe is regarded by each of the four agencies as a major market (the most important overseas market for the United States agencies; the most important non-domestic

market area for the European agencies), the interest of the European agencies in sales for the American market has been surprisingly weak. The reasons for this are historical. The cartel experience of the European agencies accustomed them to the idea of a news-exchange system based on domestic monopoly situations. When the cartel broke down the world was in a period of deep economic depression, and the European agencies did not have the resources they needed, let alone the necessary spirit for competitive overseas endeavour. Then it is doubtful whether they could have done well on the domestic US market. Even today their position is extremely weak in the newspaper sector. But whereas Reuters has made a significant advance on the basis of economic services that no-one else is providing or providing in quite the same way, AFP has no comparable claim to distinction, nor is there a forseeable possibility that AFP's director-clients will want to put up or find the money required to establish the agency in the domestic news business for U.S. clients.

Whatever the actual status of the European agencies in the United States market, there is no doubt that this market is extremely influential. It is the source of demand which basically controls the United States agencies and their major source of revenue; for Reuters it is the major testing ground for new innovations, and may determine which of these will eventually be extended elsewhere. For Reuters and for AFP it is a major cost area - unavoidable because it has to be covered rather more extensively than

most countries, and the extent to which those costs can be met within the United States is one indicator of an agency's potential in other parts of the world.

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CHAPTER FIVE

The Struggle for Foreign Markets: The Third World

In many areas of the world, the leading Western global agencies do not all compete with equal intensity. In North America, as we have seen, the American agencies control the bulk of the market; of the two European agencies, only Reuters has a significant U.S. presence, and that is in the field of economic services to non-media clients rather than in the traditional newspaper market.

There are in fact only two major world regions in which the four western agencies appear to compete with equal intensity. These are Western Europe and Asia. In South America the American agencies lead the field, followed by AFP, whereas Reuters does not have a strong presence on that continent. The European agencies are dominant in Africa and the Middle East, although American interest in the Middle East specifically has increased in recent years.

The nature of competition in the provision of international news in the non-socialist world is therefore rather more limited than it at first seems. This is of course a common feature in media systems: everywhere multi-ownership, syndicated services, the shared values of professional orthodoxy and vulnerability to similar economic patterns decrease the real magnitude of editorial diversity and press freedom.

This chapter briefly examines the role of the global agencies in South America and Africa and then at greater length, in Asia. The study of their development on these continents shows, first, the extent of local media dependence for their supply of international news on these American and West European organizations. With a few notable exceptions, this dependence is nearly total.

Countries do respond to this situation however, often by reducing the diversity of sources still further. This they manage by establishing national agencies, which are given the exclusive rights of distribution. To the dangers of imported cultural conformity in news supply they add the further threat of local political conformity. In this they are sometimes encouraged by the global agencies themselves, who sometimes doubt whether there is money to be made in a free-for-all distribution.

The competition between the global agencies is in any case often limited: there is a tendency for each agency to concentrate on certain markets and not others, and the choice of markets still coincides to some extent with old colonial interests or with the market divisions established in the days of the great cartel and which were usually initiated to supply the home market, or for propaganda reasons, rather than to meet specific requirements of overseas clients.

The global agencies mainly supply the established media systems which enjoy larger circulations (and audiences),

high revenue from advertising, and/or the cushion of government patronage. Prominent amongst the newspapers in this category is the English-language press (Asia and Africa), and sometimes the leading vernacular papers (South America, Asia): but for the most part the small and poor vernacular papers are greatly disadvantaged in news supply. Cheaper agency rates for poorer papers disguise the limited availability of agency services in rural and provincial areas, where communications facilities are negligible and reception equipment difficult to obtain. In Asia the agency services have to be translated into the vernacular by the papers themselves at relatively high cost, so that they often do without. Whether or not it is inevitable, the structure of agency operations and markets mirror the gradations of social wealth around the world. This also applies to news-gathering and editing activities, which are almost always concentrated in the wealthier, more westernized regional centres.

(i) South America

The dominant feature of the South American market is the predictably strong presence of the North American agencies. The surprising feature is the relatively strong position there of the French agency, AFP, and the very weak position of Reuters. This is a direct result of earlier patterns established in the days of the cartel.

The cartel agreements of 1870 onwards to 1933 recognized South America as Havas territory. Havas seems to have

established itself as a Latin agency, since the cartel had already recognized Southern Europe as Havas territory, and in Spain, the agency Fabra actually came to be known as 'Agence Havas, Madrid'.

The 1876 agreement followed the first cable communication between Brazil and Europe, established 1874. Havas sent a correspondent to Rio de Janeiro the same year, and Reuters sent one to Chile the following year. Each correspondent worked for both agencies. At the same time a Havas bureau opened in London to receive the cables from Brazil, which arrived there first, and at the time of writing AFP's London bureau still has a small Latin American desk in addition to the main one in Paris. After 1876 Reuters withdrew from South America, and Havas correspondents alone covered Chile, Rio de Janeiro, Montevideo and Buenos Aires. Services to papers in those cities were very brief and very expensive, until in the 1900's Havas rented its own cable network from the Western Co., increasing traffic and reducing costs. The most important clients were La Nacion and La Prensa in Buenos Aires; Mercurio in Santiago.

Indicative of the importance of South America to Havas was the appointment there in 1902 of Charles Houssaye as South American manager, who was the nephew of the agency's news director and was later to become news director himself in 1914.

The First World War weakened the Havas position: three

quarters of the agency's personnel were called up; censorship in Europe prevented the transmission of dispatches from Germany to South American clients, many of whom were pro-German or at least neutral; and the American agencies were looking with great interest at the market possibilities, UP signed up La Nacion in Buenos Aires on the strength of the Havas inability to transmit dispatches from Germany, (but when America entered the war, American censorship caught up with European). Insufficient revenue to Havas from the Antilles, Mexico, Central America, Columbia, Ecuador, Peru and Brazil led to a cessation of the Havas service after the War.

Two factors saved the Havas presence. The first was radio-telegraph which cut communication costs considerably. The first regular radio-telegraph service was started in 1921 for Argentina. By 1923 Havas could again claim to be making profits in South America. Using shortwave PTT transmission it temporarily took back La Nacion 'from AP and Mercurio from UP. This alone would probably not have produced consistent enough profit for a continued South American presence had it not been for the very active insistence of the Quai D'Orsay that Havas should stay in that market. The Quai D'Orsay offered to cover any deficits incurred by the Latin American service. Thus began a monthly government subsidy which reached 300,000 francs by 1930.

In 1927 Reuters and Havas allowed each other certain market

concessions. Reuters was interested in South America and there was some prestigious moral support behind the idea of expansion into this area, as was made clear in an address to the Manchester Chamber of Commerce by the Prince of Wales in 1931:

> "We are sadly behind the times in the field of advertising, If we are going to 'put our goods across' we must take a leaf out of the United States' book. One of the first things we need to do is to improve the present very inadequate British news service to South America."[1]

That same year Reuters started a radio service to South America, and allowed Havas to do the same in the Far East. Reuters' European Manager explained to the Post Office that 'it was most desirable from the national point of view that the dissemination of British news in South America should be fostered at the present time in every possible way'.[2] He certainly had reason to press a sceptical Post Office for lower rates: in 1931, between June 23rd and November 30th, Reuters paid the Post Office £3,619 for Rugby World Service radio transmission, and took in the sum of only £335 in receipts from clients. But the Post Office needed to be convinced of the liklihood of a sharp increase in traffic.

There was little room for Reuters in South America. Even as early as 1922, for example, nearly every paper in Mexico was a member or subscriber of AP. By 1933, Benet's Fortune article alleged that 95% of the important South American papers which could take and pay for a news service received UP.[3] Competing as a European agency, Reuters

also had to contend with Havas which had fifty years' experience of this market, ten years experience of radio transmission to South America, and a Spanish-language service. Havas also enjoyed direct government subsidy, which Reuters did not.

In his tour of South America in 1931, the Prince of Wales secured the co-operation of La Nacion and of the Buenos Aires Herald in establishing a daily news service from London. The Prince had noted with some dismay how nearly all news of England in South America was transmitted by non-British agencies. Three years later, the Buenos Aires experiment was abandoned, and one observer noted that 'South America is little better off in the matter of British news, and world news carried through British channels, than it was ten years ago'.[4] By contrast, Havas transmitted a substantial 15,000 words a day.

Reuters transmissions to Buenos Aires did continue again in the late 'thirties, but with no more success. One disappointed client wrote to the London Manager, noting that AP and UP were able to send their copy at greater speed, and at less cost to clients, and complained of the 'spasmodic and restricted wireless news' of Reuters:

> "In these days of slackness in Argentinian trade and of high paper costs we are forced to cut down expenses in every direction and sentiment falls by the wayside."[5]

The U.S. agencies had superior transmission facilities, helped by special rates conceded to them by U.S. telegraph corporations in the promotion of U.S. business in South

America. Because they were much closer geographically, they could afford communications by cable. In 1936, press rates from South America to Europe were almost twice as expensive per word as rates between North and South America.

During World War Two, the Reuters position improved temporarily. When Havas disappeared with the German occupation, Reuters took over the eight Havas bureaux in South America, and received heavy government backing to pay off the existing Havas debts.[6] This subsidy was withdrawn after the War. Meanwhile AFP's predecessor, AFI, co-operated with British information and Reuters in a world distribution of a French news service. After the War, Reuters' General Manager, Christopher Chancellor, nobly returned whatever his agency had taken from Havas in South America back to AFP. Within seven years AFP had restored its pre-War position and even improved on it by opening new bureaux in Columbia, Venezuela and Peru.

Reuters' market position deteriorated rapidly. Even in the most important South American market, Argentina, it had relatively few clients. For a while it did serve the wealthy liberal paper La Prensa: when Peron tempor-
arily shut down the bureau of UP in 1944, La Prensa lost its major agency service and Reuters stepped in, offering its service free of charge for an initial period. A few years later, in 1951, in another phase of Peron's battle with La Prensa, the paper was taken over. UP, in protest, refused to supply its service to the new government-

approved management. But Reuters continued to supply it. When the publisher, Gainza Paz, was eventually re-established, he cancelled the Reuters contract.

By 1958 business had deteriorated to the point that the British agency withdrew from general news provision in South America. In the period immediately prior to this withdrawal, Reuters had only 8 clients in Argentina, and of these, 7 used the service only as a supplementary, in addition to American and French services, and paid rather less for it. Reuters in fact had never transmitted the same volume of news to South America as other agencies. In 1950 for example, while it filed 12,000 words a day to Argentina, AFP's wordage was 20,000, AP's 30,000 and UP's 60,000.[7]

But Reuters' general news service returned in 1964, shortly after Gerald Long became General Manager. Long felt that Reuters should have a presence in South America to qualify as a world-wide agency. But business prospects were not good. A few years later the agency was approached by a group of leading conservative South American newspapers who hoped to establish a co-operative continental agency. The group included 3 Brazilian papers, 2 in Chile, 1 in Columbia, 1 in Ecuador, 1 in Mexico, 2 in Peru and 2 in Venezuela. Reuters agreed to provide the new agency, Latin, with technical and administrative assistance. It also now sells to Latin, which translates portions of the Reuters service into Spanish and Portuguese. A handful

of independent Reuters news-gatherers are maintained in Argentina and Brazil.

AFP is still the stronger of the European agencies, by virtue of tradition, relative continuity of service, and a reputation for good football coverage. It has a Latin American desk in Paris manned by thirty editorial staff who translate the service into Spanish and tailor it to the market. This is only ten persons fewer than the English-language desk which services the rest of the non-French speaking world.

The American agencies have too many natural advantages in South America however ever to be seriously threatened by the European agencies. Innumerable sources for all South American countries clearly indicate that AP and UP - but especially UP - were the dominant agencies from the 1930's, if not before. Just previous to Reuters' withdrawal in 1958, UP had a total of 487 clients in South America, including clients to its controversial Special Services, but before the link-up with INS. This had increased to 654 in 1963.

AP's development of the South American market lagged behind UPI's, but in the 1960's there was a very determined AP effort to catch up. Constant references in the AP annual volumes for the 'sixties mention the acquisition of new South American clients. In 1962 the agency added more new subscribers in South America than in any single

year since World War Two. In 1965 there was a gain of 48 new subscribers for general news and 22 for photos. The President's address in 1967 claimed that 'remarkable growth in news and photo distribution in Latin America during the past five years has placed AP in a position of leadership'.[8] But it was not until 1969 that AP began a Portuguese language service for Brazil, for which it gained a further 10 subscribers for general news and 8 for photos.

Not only are the American agencies extremely influential in the presentation of world news for Latin American readers, but also in the formation and dissemination of national news in many South American countries, most notably in Chile and until recently Argentina. But in 1973, government decree prohibited foreign news agencies from transmitting Argentine news within the country. UPI at that time served 70 news organizations in Argentina with a domestic news service which it started in the 1930's; and AP's service, established 1962, went to 33 media organizations. The European agencies have not had comparable influence in South America since the nineteenth century. Unlike Asia or Africa this influence of the U.S. agencies in particular traditionally has not been mediated by the formation of powerful national news agencies, although Argentina's new co-operative agency, Noticias Argentinas, (staffed mainly by former AP and UP personnel) and the strengthening of Brazil's AJB agency may herald a new pattern.

This brief examination of agency history with reference to the South American market demonstrates a number of features which are common to other markets as well:
(i) competition between the four leading western agencies is not everywhere as intense as the number of agencies would suggest. This is partly explained by (ii) the fact that agency-client relations still follow patterns of economic or political imperialism that either did exist or continue to exist. In this case the North American agencies are exceptionally strong on the South American market, and this state of affairs cannot be disassociated from the general political and economic relationship between the two continents. (iii) A third feature to note is the kind of political concern that lay behind the involvement of the European agencies in South America before the war, and which in part determined the scale of their activities there at that time: this throws light on the national political role that some politicians expected of the agencies, even in the democracies, and while such expectations are muted today in the West there is little reason to suppose they might not be revived in some future period of comparable political and economic isolationism.
(iv) Finally, agency treatment of South America is inconsistent. There is no regular coverage at all of many South American countries. Instead, it is the media-wealthy countries which tend to receive the most consistent attention. Argentina for example has been exceptionally well-covered since the last century, by comparison with agency coverage of Venezuela, or even Columbia. The reason

has to do with the early pattern of European and American investment in South America, the high demand for western agency news from a few very wealthy Argentinian newspapers, and possibly, the superior communications between Argentina and the western world.

(ii) Africa

The American agencies have to a considerable extent left coverage of Africa to the European agencies. Before the wave of independence in the 'fifties and 'sixties, AFP generally had local bureaux in French African colonies, which were later turned into national agencies, sometimes with little change of staff or operation. Of eleven national news agencies in former French Africa in 1969, all but two, Guinea and Mali, wæe started by AFP. Most of these agencies depend on AFP as their primary source of international news, even where Reuters and UPI services are also taken.

AP has possibly few clients in Black Africa, and UPI has recently ceased transmitting its service to West Africa: it found that clients were unwilling to pay for the service even when they used it.[9] Reuters' respondents maintain that African clients are reliable provided time is allowed them to find the foreign currency; it is possible that the American agencies adopt commercial standards for Africa which are inappropriate.

Even Reuters is relatively new to Africa. British

colonial officials did not like foreign correspondents as a rule, and the colonies could rely on British Information Services and the BBC for their international news (although these organizations were Reuters' subscribers). There was one major West African client as early as the 1920's in Lagos, but even in 1945 the major Nigerian client received only 800 words a day, by morse. In East Africa Reuters served the Standard newspapers.

North Africa has figured in agency networks for some considerable time. Havas and Reuter operated Egyptian bureaux from the 1860's, and Havas had correspondents in Tunisia and Algeria from 1897 and two correspondents in Madagascar from about the same time. South Africa has been very well represented by Reuters, which has had close ties with South Africa since the days when Roderick Jones was Reuters' representative there and founded the South African News Agency, SAPA, in 1912. SAPA became independent of Reuters control only in the 1930's. It is still a main supplier of news of South Africa and Rhodesia to Reuters, and distributes news in both countries.

A survey of Black Africa by Reuters' Patrick Crosse in 1960 concluded that there was a demand for an international news service, especially if it contained a high proportion of material of specific African relevance. This was followed by a major expansion of Reuters' African commitment. London-appointed Reuters staffers are now located in Algiers, Addis Ababa, Cairo, Nairobi, Johannesburg, Salisbury, Dar es Salaam, Lusaka, Kinshasa, Lagos and

Accra: 22 main correspondents, although several of these are in fact stringers, who work for other organizations like the BBC or a local news agency. Full-time Reuters correspondents, excluding locally-recruited editorial assistants, probably number about a dozen.* There are four services for Africa: South African, West African (French), East African, and a combined English-Arabic service in North Africa, put together in Beirut. Hachten reports that Reuters has had difficulty in penetrating Francophone Africa: access to officials is difficult for English-speaking nationals; and it is cheaper to file news stories to Paris from these countries than to London.[10] Where Reuters does have contracts with governments in West Africa, it usually received much less in revenue than AFP. On the other hand AFP operates with similar difficulties in Anglophone Africa. AFP maintains a larger African staff of full-time correspondents than any other agency for general news services - about 24, in addition to locally recruited full-time staffers and stringers.

In the late 'sixties, Reuters was received in 39 African countries; AFP in 33. This compared well with AP which was received in 14, and UPI in 19 (now rather fewer). TASS, given away free, is received in 19 countries. Reuters and AFP therefore have a clear lead in Africa: AP in 1969 had only 6 staffers, and 44 stringers of whom only 17 were in the Francophil area. UPI in 1968 had only five full-time correspondents (none of them American), but did have rather more clients than AP.

* Total number of full-time staffers is 22 (1974)

Like South America, Africa also demonstrates the continuing patterns of long-established colonial links as they are reflected in agency-client relations. Indeed, the penetration of the American agencies in Africa, in terms both of clients and of news-gathering facilities, is so low as to almost disqualify them from the league of 'world-wide' agencies, if indeed there is such a phenomenon.

What is certain is that Africa is still the 'dark continent' in agency terms. While this is almost inevitable given the structure of the media industry there, the political and communicational constraints, it does imply serious consequences for the level of information available to the West and to other major world regions about Africa, and for the level of international understanding. At a time of political fragmentation and change, such understanding becomes ever more vital to political relationships: in the days of colonialism there was at least some regular source of information, albeit prejudiced, through the body of colonial administrators. Today of course such an elite no longer exists. Commercial interests do not have the same obligation to share whatever information they may have. With the result that there does not exist a steady source of intelligence leakage about Africa to the professional communicators and interpreters, yet these have to behave as though they know whatever it is necessary to know.

What coverage there is of Africa, even by Reuters and AFP, tends to concentrate either on that part of Africa which

is involved in the Middle East Arab-Israeli conflict, a source of much more direct concern to the pockets and passions of Washington and London, or on White Africa. It cannot be said that the agencies provide anything like a daily record of events of most African countries. Some get much more consistent treatment - Kenya or Nigeria for example - than others; but while there may be a regular coverage for a temporary period (Uganda under Amin) the extent of agency coverage in Africa tends to be controlled rather more by the fads of western media interest than it is elsewhere. To these problems of cultural selectivity is added the very real difficulty which the western agencies face in establishing reliable news sources in those African countries in the late 1970's, like Ethiopia, Angola, Mozambique, which lean strongly towards the communist block.

(iii) <u>The Middle East</u>

The agencies have traditionally shown greater interest in the Middle East than in Africa. This area was primarily Havas and Reuters territory until some time after World War Two, and the American agencies have made important inroads into the Middle Eastern market only in relatively recent years. At the same time the tendency for either Reuters or AFP to dominate any one particular territory in this region has diminished, indicating therefore an absolute growth in diversity of agency sources.

After the First World War, Havas had a news monopoly in Syria and the Lebanon, territories over which France was

assigned mandates by the League of Nations. Rates were modest, and the service was not cut off if editors did not pay: Havas' function there was evidently political as well as commercial. In 1941 the territories were taken over by British and Free French forces. AFI took over Havas facilities, and AFP continued after the Second World War in much the same way as Havas had done. It serviced most of the 30 dailies in Beirut in the early 'fifties - a good lead on its major competitor, the Arab News Agency; both services sold more cheaply than Reuters or UP. Reuters had one client, while UP had six.

After 1956 Beirut became much more of an international press centre, because AFP and Reuters were not especially welcome in Cairo after Suez, and Beirut progressively became a more convenient communications centre and listening post for coverage of Cyprus, the Arab-Israeli war, and latterly, oil politics. In 1972 Reuters had 37 clients in Beirut for its news - about as many as AFP.

Between the wars, Iraq, Transjordan, Palestine and Egypt were under British mandate or occupation. No private agencies operated in Iraq or Jordan before the Second World War. Reuters was the only agency supplying the Arab papers of Palestine. In Egypt, both Reuters and Havas gathered news, but Reuters had the leading market position in Cairo and Alexandria, though probably operated at a loss.

After the Second World War, Reuters was distributed

throughout much of the Middle East by the Arab News Agency. This was first established during the War, under the control of Hulton Press Organization in London. Most of its employees were Arab (many Palestinians) but top management was British. It is very unlikely that the agency paid its way, and is widely thought to have been subsidized indirectly by the British government. In some places (e.g. Baghdad), ANA initially distributed free of charge. Reuters continued to gather most of its own news, at first, but tended to rely more and more on ANA over time. ANA was renamed the Regional News Service (RNS) after 1956, when two of its correspondents were arrested in Egypt on spy charges and the word 'Arab' began to seem unnecessarily contentious.

In the late 'sixties, Reuters began to reconsider its position in the Middle East, prompted by the Arab-Israeli war of 1967 and the re-emergence of the region as a major source of international news. The Reuters contract with RNS was not renewed after 1969. This contract had been essential to RNS' survival, so that with the withdrawal of Reuters RNS forces disbanded, some of them to be re-employed by Reuters in its own expansion of news-gathering facilities.

A survey of market possibilities in the Middle East, similar to the African survey a decade earlier, established the existence of a demand for an international news service with regionalized material. This was forerunner to the

setting-up of an Arabic service in 1972. The service is today (1974) prepared and translated in Beirut, transmitted to London, and from there distributed to various client centres in the Middle East, as a substantial part of the overall daily service. The following year AFP tried to do the same by starting an Arabic service translated for it by the Egyptian news agency MENA. Both Reuters and AFP now maintain between 30 and 40 full-time staff in Beirut, of whom between a third and a half are editorial.

The Arab states, especially the oil-producing states, are considered a current growth area. A recent study suggests that in one powerful Arab country, Reuters is the leading international news source. The Saudi Arabian Broadcasting organization in Riyadh and Jiddah subscribes to Reuters, AP and UPI. Each agency transmits for similar periods of time, virtually all day, but Reuters transmits in Arabic for five and a quarter hours. While 60% of Reuters material is used in news operations, only 40% is used from AP and 35% from UPI; Reuters material, moreover, is more heavily regionalized:

> "It has been found that the ratio of international news relating to the Middle East and the Arab countries used by those stations is about 30% from Reuters, 20% from UPI, 30% from AP and about 60% of Reuter's product in its Arabic service."[11]

The American agencies did not have a visible Middle East presence until after the war. By 1953 AP and UPI had some 11 clients among the 32 dailies that then existed in Cairo and Alexandria. UP had a few sales in other Arab countries, notably to radio stations. The main

centre of operation today is Beirut, where AP has a bureau of comparable size to its larger European bureaux, with a full-time staff of 26 in 1972 (15 editorial); UPI's bureau is the smallest, with only 4 full-time journalists and as many support staff. In Cairo, AP has a total bureau-size of 15, which compares well with AFP (19) and Reuters (9). UPI had a staff of only 5 in Cairo in 1972.[12]

In staffing terms the American agencies up to the mid-1970's have concentrated their attention on the Middle East conflict, by placing most of their full-time correspondents in Beirut and Cairo, with few elsewhere; while Reuters and especially AFP have better representation in some of the other Arab capitals.

In Israel in 1973 AP had the largest agency representation with a full-time journalist staff of 5, followed by Reuters (4), UPI (4) and AFP (3). This was a remarkable increase by comparison with pre-1967 days, when no agency had more than one correspondent covering Israel and in some cases Israel was not even that man's sole responsibility. Reuters and AFP bureaux continued to be headed by bureaux chiefs who were Israeli citizens, and who shared strong national sentiments.

With the possible exception of AFP, the global agencies concentrate more manpower in the Middle East than in Africa, and the Middle East is more important as a revenue

centre. It has also been a heavy news-producing area for most of the post-war period, and especially since 1967. In many, if not most, African and Middle Eastern countries the agencies distribute through national news agencies. This is true of most of the recently independent Black African countries and of the Maghreb. In many cases it is a matter of obligation; elsewhere a matter of convenience - there being few clients other than the respective national news agencies.

There are a number of remarkable aspects to the agency story in the Middle East. One is the extremely poor representation in Israel before 1967, and the fact that both European bureaux were headed by Israelis up to the time of writing, although the question of the desirability of having nationals at the head of bureaux is a complicated one which is discussed in Chapter 10 at greater length. Rather more remarkable is the extraordinary role played by the Regional News Service as a source of news about the Arab world, on which Reuters depended for a good deal of its news supply, and for all of its news distribution, until the late 'sixties. However it should be no surprise that with the economic development of the Arab countries and the massive accumulation of oil wealth the news agencies are now showing greater interest in this region.

(iv) <u>Asia: The Need for News</u>

Asia is an especially appropriate area for rather more prolonged discussion, both because of the wide variety of responses that have occurred there to the phenomenon of

'media imperialism', but also in view of the tremendous significance this world region has for the future balance of political and economic power. Asia was also the location of a case study analysis conducted by the author for this research during the Spring of 1973. This section looks first of all at the evidence for media dependence on the agencies in Asia, and then focuses on the history of agency involvement in India, China and Japan up to World War Two, following this with a post-war analysis of these same countries. It pays special attention to the development of national agencies in Asia, and how these, in different ways, have affected the role and importance of the global agencies (for a more general discussion of this relationship between national and global agencies, see Chapter 8).

Available evidence indicates, first, that the global agencies are extremely important news sources for Asian media; second, that in the opinion of many Asian journalists, these agencies are none too concerned about specific Asian news requirements. An IPI study of the news flow into Asia in 1956 concluded that the world agencies 'are by far the most important sources of Asian news for the press in Asian countries, and this also applies even to those few papers that have correspondents in Asian centres'.[13] Many Asian editors complained to IPI that the world agencies reported Asian news from a non-Asian angle. Perhaps this helped account for their heavy use of what the world agencies were good at giving: news of the west, since in almost all Asian countries Asian news represented only one-fifth

of all foreign news carried by the press. AP produced data for IPI which indicated that during the period of study a fifth of AP's Asian report consisted of Asian news, two thirds of which actually originated in Asia (but cf. Chapter 12 for further comments on news 'regionalization').

Despite some improvements in the provision of regional copy by global agencies, remarked on in a UNESCO conference in 1960, it was the opinion of one senior executive of a national agency (Indonesian ANTARA) that the world agencies 'still fail to give the gist of Asian developments in their reporting of events'.[14] His sentiment was supported by the then managing director of Japan's KYODO agency, who affirmed that 'the world agencies are by far the most important sources of Asian news for the Asian press and the world press'. However,

> "Although the world agencies practically never miss any news development it may be pointed out that in their reporting from Asia they often overlook, at the first stage, the background or perspective of news and the possible continuity of developments. Such shortcomings are not to be found in their treatment of news from, say, Europe."[15]

The continued criticism of the global agencies on such grounds was still very much in evidence in New Delhi, 1976, when the conference of 56 non-aligned nations passed a resolution supporting the establishment of a Third World news pool (news exchange agreement) in an effort to reduce dependency on the global agencies.

Why should the global agencies worry about Asia? Taken

as a whole the Asian market is not especially important to them. In the mid-fifties the region accounted for only 3-4% of UPI's total revenue, 3% of AP's and 10% of Reuters, according to informants quoted by IPI in its 1956 study. There is no reason to think these proportions have changed dramatically since then. In 1972, Reuters derived 11% of its revenue from the Asian market. Since Reuters' dependence on overseas revenue is greater than for other agencies, and since it includes the economic services for non-media clients, the proportion is certainly much greater than for the American agencies. (AP's economic service, AP-Dow Jones was not as well established as Reuters RES in 1972 in Asia as a whole).

At the same time western interest in Asia is limited, and this influences media coverage for the western market. Hohenberg's 1967 study of American newsmen in Asia found that nearly all found it difficult to 'sell' anything to their editors other than politics, Vietnam and Red China. In his period of study, the New York Times gave 4.2 columns to Asian affairs out of a total of 18.27 columns given over entirely to radio and cabled foreign news on the average day. This was the highest volume of Asian news found in U.S. newspapers that were examined.[16]

Asian media nevertheless have a substantial appetite for western and foreign news. Hohenberg reported that leading Tokyo papers devoted a greater proportion of their space to foreign news than the New York Times. U.S. and European news was prominent. Garver (1962)

found that Seoul papers devoted an average of 32% of their news space to world news; Sunwoo Nam (1970) who studied 41 Korean dailies, showed foreign news accounted for 23% of total newsprint space, excluding comment or articles, most of which came from the western agencies. A study of Pakistani dailies in 1956 found that 15% of total newsprint space went to foreign news. Snider's study of the Afghan national agency (1968) showed that of the stories transmitted by it, more than half had to do with foreign relations.[17]

Bombay to Yokohama: Up to World War II

Asian media have long based their day-to-day view of world events on the output of western-based agencies which had little or no incentive to adopt Asian perspectives. These agencies were concerned in the first place to feed news-demands of clients in the United States and Western Europe; and second, to feed the news-demands of colonial authorities, local business elites and 'modern' Asians who wanted news of the United States and Western Europe. The agencies had no real interest or understanding of the needs of Asian nationalists, or of those Asian religious communities who supported the first truly indigenous, vernacular publications.

The study of global agency activity in Asia reveals a general pattern of local media dependence, but this dependence has gradually spread in the course of a century or more from single dependency to dependency on more than

one outside agency. The process is more marked in some regions than in others. Principal factor behind it is that of competition between the agencies, fostered by the diplomatic anxiety of each agency's home government, and also by the rise of nationalist movements.

In keeping with British imperial interests, Reuters established a major presence in Asia not very long after its own inception, but this was before the era of great cable expansion. By 1872, Storey tells us that from Bombay to Yokohama Reuters was becoming another British institution in the East.[18] In the very earliest exchange agreements between the European agencies Asia, like North America and Africa, had not figured at all: these territories were considered inaccessible to the agencies and no communication line went beyond the extreme East of the Mediterranean. But all this had changed by the 1870 treaty, which recognised most of Asia as belonging to Reuters for market purposes.

The major cable routes to and from the Far East were developed before 1872, and by British cable companies. Reuters and Havas agreed that the markets of Australia, the East Indies and the Far East generally, with the exception only of Indochina, would be reserved for Reuters. Because British communications dominated, Havas was even disadvantaged in the one market it was allowed: Indochina. The first Havas correspondent in Saigon arrived in 1883, and in the same year a correspondent was

recruited for Tonkin. But there was no cable linking Haiphong, Hue and Saigon, and the cost of communications from Hanoi back to Paris was 9 Fr.50 a word. Communications between Tonkin and Hong Kong were better than between Tonkin and Saigon, but Hong Kong was British and it cost Havas twice as much to report news from this part of the world than it did Reuters. In practice, Havas depended for most of its news of China and Japan on Reuters.

Reuters' leading position in the Far East at this time reflected the state of international commercial relations. Frederix points out that of 3000 strangers who obtained passports to travel to interior Japan in 1858, for instance, the English accounted for about 1200, Americans for about 1000 and the French for only around 360.

In the Far East, Reuters' advantage in communication was longer-lasting than across the Atlantic. Communications between North America and the Far East remained very expensive for a long time to come. In 1936 for example, when the cost of communication from New York to Europe was just 5 cents a word, the cost from San Francisco to Shanghai was as high as 25 cents and to Manila 6-12 cents. At the urgent rate, a message from Tokyo to San Francisco cost $2.16 a word! The American agencies grew accustomed to receiving most of their Asian news via London.

India was the first major target for Reuters' Asian expansion. The Bombay Times received Reuters news by mail for the

first time in 1860, but it was not until 1878 that Reuters established a bureau there. This bureau's principal function was to supply market quotations to commercial houses and merchants. Thus in India Reuter followed the pattern of development as in Britain and many places elsewhere. A little while later, on the back of this financial security, the service broadened out into a regular supply of foreign news summaries for Indian newspapers. The summaries were brief - typically they would occupy a mere half column on the front page - but not as brief as the supply of telegrammed Indian news, which would typically occupy only one eighth of a column. The small amount of Indian news reflected the initial absence of an internal news agency.

The first major domestic Indian agency was formed in 1910 as the Associated Press of India (API).[19] An internal dispute within API led its founder, K.C.Roy, to establish the News Bureau in competition with API. A third competitor was the Indian News Agency. This competitive situation was not considered politically satisfactory by the Colonial Government, which invited Reuters to manage all of them. Reuters consequently formed the Eastern News Agency, under the credit-line of API, and this was directed by K.G.Roy till 1931.

Attempts to counter the Reuter monopoly were not very successful. An ex-Reuters employee, S. Sadanand, established the Free Press of India in 1925. This was

a clearing house for news of nationalist movements from all parts of India and Burma. Through exchange arrangements with Reuters' smaller London competitors, the Free Press obtained a supply of world news from 1932. But the following year the Government closed the agency and sequestrated its securities in retaliation for what it considered to be 'seditious reporting' and alleged lack of press support. The Calcutta editor of Free Press then set up a different agency which he called United Press of India, which employed most of those who had previously been with the Free Press. The major weaknesses of United Press of India were that for many years it could not match API in providing teleprinter transmission to provincial towns, and that it did not have an agreement with a foreign news agency for its supply of foreign news. Of course it was poor, and tended to be Calcutta-based. But it did survive as a smaller, alternative and more indigenous agency till well into the post-World War Two era.

Despite the competition from United Press of India therefore, the API-Reuters remained the most powerful of news providers until after the War. Neither AP nor UP could make any headway here before then. The importance of the imperial connection was such that even the major alternative agency up to 1933, the Free Press, had looked to smaller London rather than American agencies for its foreign news. Elsewhere in the East the threat to the British agency of nationalist feeling and competition was clearly evident before the War. China and Japan are

prime examples.

China: Fragile Market

Pre-War China was a more active media market than India's. In 1925 there were 358 daily newspapers in China and this number had risen to 910 by 1935, in addition to some 200 or 300 so-called 'mosquito' papers which specialized in sex and crime.[20] Many of the dailies were small, their existence transitory. Advertising revenue was slim, communications were poor, and a cumbersome alphabet created havoc with production. But China was an open market and an exotic dateline, which the American agencies, UP especially, could not afford to ignore for long. They began to make their presence felt in the late 1920's. Yet Reuters remained very powerful because it had long cultivated a market for its economic services among business communities.

> "The most distinctive growth in the representation of papers and press associations of the Unites States in China dates from the civil unrest there in 1927-1928. American journalistic interest was led by the AP, was carried on by certain newspapers and by other press associations, with the UP especially active, until now the North American journalistic position in the Far East is as strong, and perhaps stronger than the British, although the dependence of the East upon Reuters for commercial figures is an important item in any such assessment."[21]

In the years immediately following the First World War, AP continued to depend for most of its Far Eastern news on the Reuters service. This began to change when the American Government was persuaded of the undesirability of such a state of affairs. U.S. Navy radio was opened

up for press dispatches as far as Manila and Honolulu, after which users had to pay for cable transmission - and the U.S. Government established a news service for China to counteract Japanese propaganda there. AP developed its own news-reporting strength from a bureau in Shanghai.

UP penetrated China in 1925 with the sale of a brief report to Peking newspapers. In that year the American agency had negotiated an agreement with RCA for a reduction of Pacific wireless rates to Japan and to China by over 50% (from 27 cents to 10 cents a word to Japan). Cable rates also came down from 35 cents to 20 cents a word for China. The Japanese Government refused to reciprocate on this, but there was no problem with China. Later UP extended its report to Shanghai, Hankow and Tientsin, but in the late 'twenties it would still be 'several years before important progress would be made in opposition to the powerful Reuters agency', according to Morris.[22] The structure of news-gathering was a shaky affair for the young agency:-

> "In many instances American missionaries served as stringers - and often very good ones too - but there were also young businessmen and even a few American newspapermen in cities like Hankow who covered for the UP."[23]

Dependence on stringers was all the greater the more remote was the location of news.

> "In addition an important duty of correspondents in the Far East was to make friends with American naval and State Department officers in remote stations, in the hope, often justified, that they would tip off the Shanghai or Peking bureau when important news broke."[24]

The increased presence of American media representatives and news services may have contributed to a trend observed by Vernon Nash in 1931 towards an Americanization of Chinese newspaper style.

> "The most marked tendency of the last eighteen months has been a steady swing towards American types of affirmative headlines, and away from the British style of labelling stories. The Chinese written language with its ideographs, especially in the literary style, is very stenographic in character and therefore particularly well adapted to the writing of good headlines."[25]

But the market could not adequately support the large volume of international news which was now directed to it - often to serve propaganda rather than commercial objectives. The consumption of foreign news by the Chinese newspapers of the time was not considerable. A study of seven leading Chinese papers in the 'thirties found that on average they devoted only 10% of their relatively small news-space to foreign news, although this increased to 17% when news of sino-foreign relations was included.[26]

At the same time the global agencies could not satisfy all market requirements, nor did their supply of Chinese news overseas commend itself to all observers. This was partly because most Chinese newspapers were based in the coastal regions, and had fairly limited resources, and because there was no nation-wide news agency for vernacular papers. Since the quality of service of the global agencies tended to reflect the quality of local press coverage, the transmission of Chinese news overseas was probably limited in

a similar way:

> "The leading Chinese papers buy and translate the services of the United Press, Reuter's and other 'foreign' press associations but their coverage in China is far from satisfactory, especially from the Chinese point of view."27

There were a great many small internal agencies, 120 according to one Editor and Publisher figure from the early 'thirties, but most of these were probably public relations organizations rather than news agencies in the European sense. Much of the domestic political 'news' in Chinese papers was publicity copy issued by 'politico-militarist' organizations.[28] Nash mentions the Chung Yang and its English-language sister Kuo Min agencies as 'propaganda organs of the National Government'.[29] He regarded another agency, the Kuo Wen, as the nearest to an American idea of an agency. This was owned by Ta Kung Pao, a leading vernacular daily of North China based in Tientsin. None of these was truly nation-wide. The agency which was to become of very great importance later, Central News Agency (CNA) was established as early as 1924, but did not become prominent until the early 'thirties. This was subsidized by the government and 'faithfully imitates the propaganda methods about which all Chinese, government officials included, complain so bitterly in the conduct of the foreign news agencies operating in this country.'[30]

The need for a better supply of Chinese news, and the lack of adequate market support for all the global agencies then operating, helped promote the development of a strong

national agency. This would contain competition between the globals, assure them some profit, and improve domestic news supply. In addition to the leading global agencies - especially United Press and Reuters - there were several smaller international agencies whose objectives were primarily propagandistic, and these sold at little or no cost. They included the Japanese agency Rengo, the German Trans-Ocean, the Russian TASS. After 1933, Havas also appeared on the stage. In 1927 following the exposure of a link between CNA and the German agency Trans-Ocean, French diplomatic pressure favoured a stronger Havas presence in the East. The growth of CNA possibly helped the leading agencies financially - it was a secure client at a time of savage price-cutting competition and when the number of newspapers was declining as a result of the war with Japan.

CNA's first pact with an international agency was with Reuters in 1932. Reuters was evidently happy to have CNA worry about distribution to the newspapers, while it retained the lucrative commercial market. The following year Nash recorded the installation by Reuters of teletype machines in several banks and other business offices in Shanghai to 'facilitate the rapid transmission of one of its specialities, commercial and financial news'.[31]

Further pacts were signed by CNA with Havas in 1933, Trans-ocean in 1936, and UP in 1938. INS also wanted to deal with CNA, but the plan was blocked by UP which claimed

the exclusive right as American agency to exchange news with a Chinese agency. AP had only a news-gathering presence in China before the War. Reuters was therefore first to do business with the agency of the nationalist government, and the American agency UP held out until last. But despite the alliance they both appear to have done their own translation, and resorted to employing an increasing number of Chinese journalists. (In Nanking and Canton Reuters' bureau managers were Chinese.) This may have been to minimize distortions by CNA, or a way of subsidizing an allied agency.

CNA's pacts were exclusive - the agencies could not distribute independently. By the late 'thirties one observer claimed that more than 95% of the news in any Chinese paper was derived from the wireless service of CNA.[32] The reason for this was that the fighting with Japan had destroyed a great number of papers, and left many behind Japanese lines, so that under such conditions the official agency of the military nationalist government was best suited to news-gathering. In 1939, CNA had 9 divisional offices, 20 news bureaux, a powerful radio station and a staff of able journalists, including many university graduates from the U.S. That year it followed Chiang Kai-shek to his emergency mountain headquarters of Chung-king in the south-west, serving a greatly diminished clientele. Before the Japanese invasion there had been 1,014 Chinese newspapers. Two-thirds of these had been based in Nanking, Hankow, Peiping, Tientsin and most of

these no longer operated.

CNA could afford hardly any foreign news-gathering of its own, although it did send a correspondent to Geneva in 1933. Its dependence on the foreign agencies was therefore almost total, Nafziger claimed that the 'Chinese reading public is not satisfied with the service from foreign sources', but did not elaborate.[33]

When Chinese forces withdrew from Shanghai in 1940, the international agencies now served the local vernaculars independently from CNA for as long as they could. Reuters had a bureau in Shanghai which put out a separate service. The Shanghai office of Havas received its news from the French Indochina possession of Annan, which it translated into Chinese and relayed by wireless to Chungking in Chinese code. UP had reserved the right to distribute an English service in Shanghai. (UP's office in Shanghai incidentally was with the Shanghai Evening Post and Mercury, with which it had a special relationship. It's editor, Randall Gould, had once been head of UP's Far Eastern branch. The paper, considered to be the 'most progressive and liberal daily in Shanghai', second only to the British North China Daily News, was founded by United States residents in Shanghai in 1928.) Before the Japanese invasion, Shanghai had been the main communications centre for western newsmen, and 60% of telegraphic communication between China and other countries went via the Chinese Government Radio Administration, situated in Shanghai, (the rest was handled by British, Danish and American companies), but after the

invasion this was moved to the interior. Despite the chaos in China throughout the 1940's, the western agencies were able to maintain a sizable presence and were pushed back only with the Communist advance. CNA moved with Chiang Kai-shek to Taiwan since when it has maintained a powerful overseas network of correspondents and clients, especially among the expatriate Chinese communities of South East Asia.

Japan: Asian Prize

Developments in Japan followed a similar path: initial control of the foreign news supply by a single global agency, followed by an opening up of the market by the American agencies, and then regression as one national agency bought up the exclusive rights of distribution within its territory. As in China it was Reuters which lost the most ground in newspaper markets because it had the most to lose. But it is clear that for many nationalists of the Third World, Asia in particular, the greater diversity of sources represented by the expansion of the American agencies even before the Second World War did not overcome the division of interests perceived between west and east.

The leading national agency in Japan before World War I was Kokusai, founded in 1914, and linked to the European cartel through Reuters, whose service it distributed exclusively. In 1926 Kokusai became a co-operative of national newspapers and changed its name to Rengo, and in the same year Reuters bowed to the inevitable by allowing

AP, at that time still a member of the cartel, to enter into a separate exchange arrangement. In fact, AP in its first major confrontation with Reuters had already entered into discussion with Kokusai. Japan was of even more importance to AP and to the American Government than China; it was concern for the American image in Japan in particular, and the quality of news coming from Japan which led the Government to open up Navy traffic to press users. Kokusai was eager to establish relations with AP: it was frustrated by Reuters' hold, and sought to break from it by turning into a co-operative styled on the AP pattern. The real inspiration came from Japanese businessmen who saw no future in the British connection. An alternative agency emerged around the same time, Dempo Tsushin, which subscribed to UP. From 1931, Rengo was also supplied by Havas, following agreement on mutual concessions between Havas and Reuters. In 1936 the two major agencies, Rengo and Dempo Tsushin, merged together to form Domei, the leading official Japanese agency until the country's defeat at the end of the Second World War. Domei subscribed to all the leading agencies, including AP and UP. Reuters' position was therefore more quickly and more effectively challenged in Japan than in China.

> "At Domei's very door are laid down subsidized telegraphic services which in volume and cheapness far surpass anything that Reuters, pursuing its course as an ordinary trading concern, can hope to place at Domei's disposal. The services are abundant in scope and on the whole not badly compiled and edited. Their price to the Japanese press being a fraction of an equivalent British service, it is hardly surprising that they find a ready market and a measure of publicity that is gravely prejudicial to British interests, and that makes the British presentation of world

news more and more difficult and less and less conspicuous and effective. Amongst the forces contributing to this displacement of British news must be included the services originating in the United States. Cheap transmission rates across the Pacific, and a readiness on the part of the controllers of these services to considerations of policy, place the American services in a category second only to the subsidized foreign services as destroyers of the market for British news."[34]

Domei grew to be one of the leading national agencies of the world, rivalling Germany's DNB. Like DNB it was a government agency. In 1937 it had bureaux in Hong Kong, Geneva, Rome, Vienna, Warsaw, New York, Washington, London, Paris, Berlin and Moscow. A few years later in 1942 it had three zonal bureaux and 28 branch offices in the Far East alone, and in China during the Japanese invasion it maintained 500 correspondents. Its New York bureau was especially important: it was housed in the AP building where it received AP, UP, Dow Jones, and Reuters Commercial Services. This was in operation right up to the declaration of war between Japan and the United States. European news to Tokyo went via Domei's New York office. At the beginning of the European war, but before Pearl Harbour, there was a heavy representation of Domei newsmen on European war fronts. Because the Allied European censors were particularly lenient in dealing with the flow of news to North America - as part of a policy to persuade the United States to join the war - Domei correspondents also benefitted, and through them perhaps, the Axis powers.

In the first weeks of the American occupation after the

war, Japanese reporters actually experienced fewer restrictions than their western counterparts who laboured under military censorship. In this atmosphere of comparative freedom, Domei, which had been described by an American reporter as 'one of the main pillars of a totalitarian Japan',[35] continued in operation until it fell foul of American reaction to some allegedly false scandal reports about occupation troops which appeared on its wires. On 15th September, 1945, General MacArthur ordered Domei to be suspended, allowing it to continue a little while later under strict censorship. On the 24th of that month, the Japanese Government was then ordered to eliminate its control over the press, and no preferential treatment was permitted Domei. In reaction, Domei's Board of Directors voted the agency's dissolution, which was effective from October 31st, 1945.[36]

1945 Onwards: Post-War Japanese Independence in News Supply

Two new agencies emerged to replace Domei: Kyodo and Jiji. Kyodo was co-operatively owned by the Japanese daily press, and Jiji was a private company. This pattern was inspired and encouraged by the American occupiers who thought Japan would benefit from a competitive situation similar to the one in the United States, where the leading agencies were also a co-operative and a private company. In practice it worked out rather differently. Jiji began to specialize in economic news; Kyodo in general news. This was a partial return to an earlier pre-1936 pattern, when Dempo Tsushin tended to specialize

in economics, while Rengo was major source for general news.

Japan is the single most important market within the Asian region for all the major agencies. Reuters employed a Tokyo staff of 35 in 1973, of whom 11 to 14 were journalists. All but two of these were bi-lingual Japanese. The Tokyo bureau was the sixth largest in the agency's network, beaten only by New York, Washington, Paris, Beirut and Singapore. AP at the same time had a staff of 16 journalists and 54 support staff, putting this bureau third place amongst the agency's overseas bureaux, behind London and Paris. UPI's bureau had 10 journalists, the fourth or fifth most important UPI bureau in the world. AFP placed rather less importance on this centre, which with eight journalists ranked only ninth among the overseas AFP bureaux.[37]

Major clients for Reuters in Japan are Kyodo, which takes the general news service, and Jiji which subscribes to the economic services. Asahi Shimbun subscribes directly to Reuters and likewise the English-language Japanese Times, and the economic journal Nihon Keizei. Television-terminal economic news services are made available through joint operations with other companies, including Nikie Hihs Keizei (NHK). Jiji press has a right to RES teleprinter services in Japan from 1972; and Quotation Information Centre, partly owned by Reuters in any case, has a right to certain of the RES computerised services.

Tokyo stories are filed by Reuters both to London and to the Asian regional centre in Singapore. Other countries in the region file only to Singapore, but the dual filing system for Tokyo is to ensure that certain important and mainly commercial clients in London, receive all Tokyo news instantly, without editorial intervention by Singapore. The file that goes to Singapore is incorporated in the regional service prepared there for South East Asian clients. The Singapore bureau also transmits the regional service, in a specifically tailored form to Japan. The news services flowing into Tokyo from Reuters are actually rather shorter than most. This is to facilitate translation into Japanese by the Japanese clients, but also because these clients are so well provided with news from their own and other sources, they explicitly require less wordage. The Reuters wires to Tokyo are rather less regionalized than others, since the leading Japanese media have very extensive representation in Asia, and Kyodo exchanges news with all the agencies in the region.

Tokyo was a regional centre of operations for UPI until 1968, but increasing communication costs from Japan (which does not observe ITU rate recommendations and sometimes charges almost three times as much as the PTT's of other countries for comparative communications), and the rising cost of living in Tokyo, inspired a move to Manila. Manila proved less convenient as a centre than was hoped, and the move there was followed by a further move of regional centre to Hong Kong in 1971. Hong Kong had the

advantage of good communications; it was a thriving business centre with a reasonable local market for agency services to offset costs; and it was also close to Saigon, one of the most important overseas news-producing centres from the mid-sixties to the end of direct American involvement in 1973.

UPI sells its service to the general news agency, Kyodo, and directly to Mainichi and the broadcast organization NHK. Because Kyodo sells only to provincial papers in Japan, agreements with Kyodo cannot prohibit direct sales to the Tokyo giants. Since 1963 UPI has developed a special local economic service for Tokyo papers, banks and business firms. The sale of Mainichi is on a limited exclusivity basis, or in other words prevents UPI from selling to other Tokyo newspapers; this is the result of private negotiation. The third largest Japanese paper, Yomiuri, used to take INS, but at the time of the INS-UP merger AP managed to persuade Yomiuri to switch agencies. It was able to do this because UP was bound by the exclusivity arrangement with Mainichi.

AP sells to Kyodo, and to two of the three Tokyo giants: Asahi and Yomiuri. This makes it the strongest foreign agency in the Japanese newspaper markets. Yet AP's service for Tokyo is not specially tailored for the market in regional-interest terms. AP's service to Asia passes through Japan, and it is possible for the Tokyo bureau to add to the wire stories from Japan of specifically regional

importance. Other bureaux in the region with stories of special interest to Japan can telex them direct to the Tokyo bureau, but this happens only occasionally.*

Japan is the major overseas success story for AP's economic arm, AP-Dow Jones. Unlike RES which concentrates on non-media clients, AP-Dow Jones' wire to Asia is its newspaper wire (in Europe it has two wires, one designed for media, the other for private business clients). Kyodo uses AP-DJ heavily. In 1971 AP-DJ had as many London credits in the Kyodo news service as Reuters and AP put together, and also outdid both AP and Reuters in credits from Washington. AP-DJ accounted for 85% of all agency credits on Kyodo wire stories from Frankfurt, it equalled Reuters on Geneva stories and equalled Reuters and AP combined on Zurich stories.[38]

Kyodo is primarily a general news service. As it has a wide network of its correspondents abroad it is less and less dependent on the global agencies for general international news, although it subscribes to all of them. It makes no special provision however for financial news. Of the two possible sources, RES and AP-DJ, the latter is preferred by media in Japan because it is a media-orientated service and not a company-oriented service like RES. The general news service of Reuters does not provide as much detailed economic news as AP-DJ. Although AP-DJ sells to Kyodo and is its most important global source of economic and financial news, Reuters Economic Services are

*cf.,note 3,p.957

also strong in the Japanese media market since they sell to Jiji, the second national agency. Jiji has a large private non-media clientele.

AFP is less evident in Japan than the other three western global agencies. In the United States, England and Japan, therefore, AFP is in a weak position in comparison with the other agencies. This is partly the cause of its fourth place in the global hierarchy and partly the result. It sells to Jiji (both French and Japanese language rights), to Kyodo (Japanese rights only) and directly to NHK. Until Hong Kong was established as AFP's regional communications centre in 1973, AFP's file out of Tokyo was transmitted by satellite directly to Paris, whereas now it goes to Hong Kong and is put together there with Parisien material and material from the region for regional distribution, Japan included. This service is reported to be approximately 20% regionalized.[39]

The importance of the Japanese market in Asia certainly seems to threaten the balance of the global agencies' interests in that part of the world. Tokyo consumes much of total agency commitments in Asia, and is a leader in datelines. On the other hand certain factors appear to arrest the imbalance. One of these is the location of regional headquarters in centres other than Japan: Singapore and Hong Kong. Second, there may be a limit to the development of the media market in Japan. Japanese newspaper circulations increase now not so much

by gaining new readers, but by gaining new members of subscribing families and in any case are close to saturation point. There are not many new publications, and the economic might of the great Tokyo dailies is no longer quite as awesome as it once was. The limitation of language imposes severe restrictions on further diversity of distribution since none of the agencies translates into Japanese on its own account. Third, given that the Japanese media have on tap nearly all possible sources of foreign news and very extensive resources of their own, the western global agencies may have less scope for rate increases in future, and may find that Japanese media will be prepared to drop certain services at times of economic recession. Kyodo has 37 full-time overseas correspondents, about the same number maintained by the New York Times, and in the early 'seventies this number was increasing at a rate of two or three a year. Eleven correspondents are posted in North America and in Western Europe. Most of the rest are based in Asia. There is only one correspondent however for Africa, one for South America and one for the Indian sub-continent. Kyodo simply reflects the imbalances also common to the western global agencies. During the 'fifties, Kyodo's overseas coverage resembled that of other national agencies, focusing particularly on affairs that were of special Japanese interest. The tendency changed in the 'sixties, and now Kyodo looks at world events from a general international perspective, even though it writes these up in a fashion which exploits any relevant Japanese interests. The difference means in

practice that Kyodo is more independent of the western agencies than it used to be.

In 1973 informed sources estimated that 50% of the Kyodo news report derived from its foreign correspondents, and that a similar percentage of foreign news in all Japanese newspapers derived from Japanese press correspondents. Of course, all media tend to make as much use as they can of their own foreign news-gathering resources, where they can afford any at all. More alarming from the global agencies' view-point is this: that of incoming international agency material, according to Kyodo HQ executives, only one half of one per cent is actually used, despite efforts taken by the global agencies to reduce the volume of their wires for Japanese consumption. Kyodo does not undertake exact translations of the western agencies, but it extracts summarized and precise reports of what the agencies say. The Japanese press as a whole appears to be using less foreign agency material. One well-informed Asahi source claimed that his paper's use of foreign agency copy over the five year period ending 1973 had gone down by half. This was partly accounted for by a trend towards greater emphasis in Asahi on backgrounders and 'wrap-ups'. Asahi had 25 full-time correspondents abroad in 1971; the total number of full-time Japanese correspondents abroad rose from 150 in 1965 to 250 in 1971. Total Japanese press representatives abroad in 1972 was 330. This reduction in the use of foreign agency material occurred during a period of increase in

the average number of pages of Japanese newspapers, which grew in the late 'sixties in response to increased advertising. Average size rose from 20 to 24 pages in 1969-70.

An internal Reuters' survey illustrated the impact of these same trends over a period of three months in 1973.[40] Kyodo relied on its own correspondents for 40% of its total foreign news, and this represented an increase of 33% over the previous year. At the same time, Reuters' share of the total foreign news usage dropped from 20% to 17%. This was still ahead of the other agencies: AP 14%; UPI 12%; AP-DJ 8%; and 10% for all the others. Of the 600,000 words that pour daily into Kyodo's Tokyo Headquarters from some 30 national and global agencies, Kyodo now used only 1,000, or about half of what it used ten years previously. But this does not take into account the use to which full-time Kyodo correspondents may put foreign agency material abroad. For instance, in Washington the domestic service of an American agency is invaluable for Kyodo correspondents there, even though the stories which Kyodo eventually uses will largely be those of its correspondents and not the agencies. In fact, foreign agencies may be more important at the initial stage of the news-flow than in the final Kyodo output, as Japanese correspondents tend to act in concert, use very similar contacts and prefer print rather than personal sources (because of language difficulties). Most of Kyodo's foreign news comes from those parts of the world where the global agencies are most active: 55% from the

United States and Western Europe in 1971 and 1972. There was a preference for AP as agency source from the United States, and for Reuters from Western Europe.

The present indications are that Kyodo does not intend to try and become a global agency. This was confirmed by senior executives in interview in 1973. The world region which Kyodo is perhaps most competent to cover, the rest of Asia, is not a lucrative nor a reliable market, and there is considerable distrust of Japanese activity there by local nationals. Furthermore, language difficulties would greatly inhibit competitive coverage by Kyodo from the United States and Western Europe. But in Japan the indications are that newspapers will increasingly prefer to take their foreign news from Kyodo and not direct from the global agencies.

India: Controlled Market

The alternative to dependence on the global agencies for supply of international news is either independence or controlled dependence. Japan is an example of independence, achieved on the basis of one of the strongest media markets in the world and a national agency with considerable news-gathering facilities abroad (and a turnover comparable with Reuters). Much the same is true of China, although commercial terminology is inappropriate for that situation. India's solution is one of the most common: continuation of dependence on the global agencies, but through the filter of a national news agency.

Global agencies in other words are obliged to distribute through the national agency, whether they want to or not. The country cannot collect its own news on a comparable scale, but it can at least exercise editorial discretion over what is received before it is relayed on to individual media. Countries which adopt this solution differ according to the precise nature of the control that is exercised over the incoming news flow, and this is often reflected in the character of relationship between the national agency and the government.

Reuters continued to be the leading agency in India in the immediate post-war period. In 1948 it established a special relationship with the new nationalist agency and successor to API, the Co-operative Press Trust of India (PTI), which was brought into the commonwealth ownership structure instituted at the end of the War. PTI was assigned a zone of news coverage from Cairo to Singapore for which it was responsible, in return for the continued provision of the world news service. A similar relationship had been established between Reuters and Australian Associated Press (AAP) for coverage of South East Asia. Under this arrangement with AAP, the Australian agency undertook to provide the first four correspondents for the area (Singapore, Djakarta, Nanking, and Tokyo), and Reuters would top up. The system was of considerable help in the relatively impoverished years of the late '40's. It meant that PTI had quite a considerable foreign presence. The Indian agency maintained correspondents not only in

South East Asia, but also in the Middle East, Washington, Geneva and London. In London, PTI journalists situated in the Reuters office selected the world news they wanted for transmission to the PTI in India, a privilege Reuters had only previously conceded to South African and Australian media (and which no longer exists), and which for a time was extended to some allied European agencies.

The Reuters-PTI partnership survived only four years, when it was terminated at the initiative of PTI. Instead of the partnership, an exchange arrangement was signed with Reuters in 1953. PTI has to contribute an additional cash payment; but for Reuters the Indian sub-continent is considered one of the poorest of all the world markets.[41]

Independence opened up the Indian market a little to other global agencies, although no further than allowed by the obligation to distribute via national agencies. UP first penetrated the Indian market in 1942; after the war it sold to the 'Express' group, until in 1960 it was obliged to distribute only through a national agency. AP sold to the 'Times of India' group until 1960-61. AFP served the second Indian national agency, United Press of India, but this closed down in 1958, having made heavy losses over a number of years. Two years later, two companies combined to set up an alternative, the United News of India, which had its own teleprinter network and substantial press support. Its directorship included a wider range of newspaper editors and proprietors than had the United Press of India. Main source of foreign

news was AP. Another agency, the Indian News Service which was set up in 1961 by the Express and Times of India newspaper groups, the most powerful newspaper groups on the sub-continent, closed down the same year. While it lasted it took a foreign service from UPI.

The most important source of Indian and International news for newspapers and broadcast stations of the sub-continent in this period was PTI and its successor since 1975, Samachar. Since its domestic facilities are incomparably superior to those of any or all of the global agencies it naturally influences their thinking and reporting about India, just as strong national agencies do everywhere.

In the early 'sixties the PTI had 45 Indian branch offices and twelve overseas correspondents, mainly in Asia. But by 1973 the number of overseas correspondents was down to five, based in the United Nations, Cairo, Moscow, Kuala Lumpur and Tokyo. The London and Paris bureaux had been closed down: they were expensive, and one or two of the larger Indian newspapers could afford to have their own correspondents or stringers there anyhow. Overall dependence on the global agencies must be considered to be on the increase. On the other hand the temporary move towards a more authoritarian regime in mid-1975 and India's support for the concept of a Third World news 'pool' suggested the possibility of an increase in the domestic agency's overseas news-gathering resources, as a logical step in the direction of securing a more 'accept-

able' news supply. This kind of increase however could only be supported by State funds.

Up to 1975, PTI subscribed to Reuters, UPI and AFP, and it used more Reuters than UPI or AFP material; AP distributed through the other, smaller agency, United News. Other agencies with a foothold in the Indian market were TASS, DPA of West Germany (which went through United News), Kyodo and ADN of East Germany. PTI claimed to pass on about 50% of the international material received from the major agencies.[42] One reason for the fairly high volume of news passed on by PTI and now Samachar is the absence of language problems in distribution: PTI distributed in English to over 200 daily newspapers.

PTI employed about 300 full-time journalists. About one third of these were based in Bombay and New Delhi. Another 50 worked from Calcutta and Madras. Then in each of the 17 state capitals there were two or three PTI journalists. The remaining third were distributed through the larger cities and towns, often where there were subscribing newspapers.

Although the control exercised over incoming news-flow by the India national agencies up to 1975 was moderate in comparison with many other countries, there was a strong government presence in and around PTI operations which placed a caution on its value as news-source, both for subscribers and for global agencies. This was manifest in news-gatherin

first of all, insofar as PTI carried a lot of government news, speeches by leading politicians, official state news. In this respect it was similar to most national agencies. Second, many of its clients were government clients. About 25% of all PTI's income derived from embassies, national and all 17 state governments, several national government ministries, and the national broadcast service AIR (Air India Radio) which was the single largest client. This did not include those commercial clients who were state-owned or state-controlled. There were about 200 commercial clients, and these were believed to account for 10% of income.[43] The agency distributed domestic, economic and commercial services similar to those of Reuters elsewhere (Reuters Economic Services were also taken). The remaining two thirds of revenue came from newspapers. There were indirect Government subsidies, which took the form of reduction of rental on the lease of teleprinter lines, and the provision of better facilities for news transmission at a cheaper rate. The Government also made it easier for the agencies to import new equipment. Finally, although PTI was a co-operative, there were four places on the Board for 'eminent men' who were generally fairly establishment-type individuals, chosen by the rest of the Board. (An example given of one 'eminent' man on the Board was an ex-Chief Justice of India). But this extent of government involvement was actually very modest by comparison with, say, the majority of African news agencies.

PTI was by far the largest agency. UNI, which was a

co-operative of only eight newspapers and was based in New Delhi, had less than a quarter of PTI's clientele, and many fewer correspondents. There were other smaller agencies, like Hindustan Samachar, founded in 1948, which distributed news in the vernacular for papers in the Bombay area, but had no independent link with a global agency.

PTI had no facilities for photo-transmission, and here the American agencies could operate freely. For many years however they operated in competition with their own government's imformation services which provide free feature and picture material, and similar services from other governments, notably TASS, which are very attractive economically to the poorer, vernacular newspapers.

There is a greater diversity of foreign news sources in India now than at any time in its pre-War history. But availability of these services is limited by Government regulations which oblige the global agencies to distribute via national agencies. Up to 1975 AP characteristically sought to get round the spirit of this requirement as much as possible by going through the smaller agency, United News, and arranging with that agency for distribution of its full service to a selected few of the agency's clients. The government's requirements for indirect distribution of global agency material may have had the function of creating a ready demand for the more propagandistic material of foreign governments: if allowed

to operate freely, the global agencies would have had to have charged lower rates in some cases where by doing so they could compete with use of handout material, whereas going through national agencies they could not control pricing structure.

As this section was written, the situation in India was one of rapid change in which the future outcome was difficult to discern. The state of emergency introduced by Prime Minister Indira Gandhi in mid-1975 was accompanied by the issue of severe press guidelines, the insistence that foreign correspondents sign a pledge (modified under negotiation) acknowledging awareness of the guidelines and taking full responsibility for their services. Reporting conditions were made considerably more difficult. The Government's relationship with the PTI, perhaps the single most important news source for foreign correspondents, already strong, became much closer. And in September 1975 India's Information Minister, V.C.Shukla, outlined plans to merge all the country's domestic news agencies into a single agency, Samachar, run by trustees independent of the Government. The effect of this would be to oblige all the foreign agencies to distribute through the new agency - which would be virtually identical to PTI, except with a stronger monopoly position, and more susceptible to influences originating from the government. He claimed this was being done as part of the Government's policy of building a strong and independent press free from outside influence.

Of even less revenue importance than India for the global

agencies are the northern countries of the Indian sub-continent, Pakistan and Bangladesh. In the late 'sixties, before the secession of Bangldesh from Pakistan, there were about 100 dailies in the whole country, most of them extremely small, and accounting for most of a combined newspaper circulation of only 500,000. After the partition in 1947 and the creation of Pakistan, the local bureaux of what had been the Associated Press of India and the United Press of India became Associated Press of Pakistan, and United Press of Pakistan (APP and UPP). APP is the main agency at the time of writing and has been indirectly financed by the Government since 1961. It has no foreign correspondents other than in India, and relies for its international news on Reuters and AP, and also has an exchange agreement with Kyodo. It distributes photos and a commercial service. UPP is much smaller, has no contract with a major global agency, but takes Antara of Indonesia and a small West German agency. Another small agency, Pakistan Press International, specializes in Moslem affairs.

China: Lost Market

With the departure of Chiang Kai-shek to Taiwan in 1949 the market in China virtually disappeared. Reuters' lucrative commercial services, distributed to business and commerce from Shanghai before the Communist victory had associated the agency with the nationalists' cause, and there is some evidence of local Reutererian reluctance

to cover the Communist side for fear of reprisals from the nationalists that would have damaged it commercially. Reuters withdrew as the Communists advanced to Nanking and then to Shanghai.

The official British attitude to Chinese Communism was never as unambiguously hostile as American. For that reason it was possible, in the mid-fifties, for Reuters to negotiate a return to China in 1956. In the same year the Chinese New China News Agency (Hsin Hua) began to subscribe to Reuters' general and commercial news services.

The continuity of Reuters' representation in Peking since 1956 has been broken only by the internment of its correspondent Anthony Grey during the Cultural Revolution in 1968. AFP has had a correspondent since the Communist victory virtually without interruption, and AFP's Jean Vincent was not interned during the Cultural Revolution. The French agency has had a better reputation in the eyes of the Communist world than the other western agencies.

For the American agencies coverage of China has been much more restricted. Until 1959, the United States State Department actually forbade the entry of American newsmen into China. When the ruling was lifted that year a UPI reporter sent on assignment was arrested on spy charges (rather foolishly perhaps, UPI had sent a Chinese national born in Shanghai). Other American

correspondents had difficulty obtaining Chinese Visas,[44] and there has been no continuous representation of American agency newsmen in China since 1949, There was great hope at the time of the Nixon visit in 1972 that the United States agencies would at last receive permission to establish Peking bureaux, but despite encouraging noises from the Chinese, this had not happened by as late as 1977. Coverage of China therefore is very much based in Hong Kong or Tokyo, for the American agencies certainly, and also for the European agencies who are not allowed more than two correspondents in Peking and are also subject to many news-gathering restrictions. The 1972 thaw did achieve formal news-exchanges between the Chinese and American news agencies, whereas before they had simply monitored each other's services unofficially. Monitoring of overseas agencies is one important function for the New China News Agency (NCNA): it has access to all the major world services.

NCNA is by far the most important source of news for Chinese media in China, and one of the few easily available sources of news of China for the west. Newspapers in China do not typically have correspondents outside their own areas, but rely completely on NCNA. NCNA has about 200 overseas correspondents, whose functions sometimes overlap with orthodox (or not so orthodox) diplomatic ones. NCNA services for overseas are widely available, usually in bulletin form.

The pre-Mao Chinese agency, Central News Agency (CNA) moved to Taiwan with Chiang Kai-shek. This is now the national agency of Taiwan, and also has a surprisingly large overseas news-gathering and distribution system. It has eight domestic and twenty-two foreign bureaux. Half of these are in the Asian area and one in the Middle East; the other half are in North America and Western Europe. CNA subscribes to most leading western news agencies, including the big four. Despite its own overseas resources which include 30 full-time foreign correspondents, three quarters of its foreign news, accounting for 43.1% of its output, comes from foreign news agencies.[46]

CNA is a company owned on a non-cooperative basis whose shareholders include most of Taiwan's media and some Chinese-language papers overseas. Of its 259 domestic clients in 1973, only 77 were media organizations; the others included 60 government departments, diplomatic missions, foreign organizations, 22 nationalized industries, 14 banks, 67 commercial organizations and 19 others. There were 45 overseas clients, almost all of whom were South East Asian. Half of these are newspapers, most of the others, with the exception of 5 news agencies, are non-media commercial organizations.

CNA houses both AP and UPI bureaux in Taipei, and these agencies are by far the strongest in Taiwan, both in news-gathering strength and in terms of news-distribution, reflecting perhaps American (and specifically, CIA)

involvement with the island in the post-war era.[47] In 1973 AP had a total staff of 6, headed by an American bureau chief; UPI had a staff of 3 headed by a Chinese mainlander. Reuters and AFP were represented by one journalist each; both were Chinese mainlanders. In a country where there has been considerable tension between Chinese mainlanders and local islanders, therefore, three of the western agencies employ mainlanders as bureau chiefs. The global agency services were distributed in part by CNA. Direct distribution does not appear to be forbidden, but it does not happen. Taiwan is one of the few places where AP distributes through a national agency out of apparent choice. CNA's own services are distributed in bulletin form; but newspapers can take the global agency services by teleprinter through arrangement with CNA. Eight or nine papers took UPI by teleprinter and fourteen took the photo service. Photo services are distributed by the American agencies directly, as in most countries. Apart from a New York Times stringer, the American agencies are the only U.S. media representatives in Taiwan (1973).

Reuters was the first global agency to sign a contract with CNA in 1932; this lapsed after the war, ostensibly because CNA could no longer afford the service. Until 1947 CNA relied only on UP, and then on AP and UPI, until in the mid-fifties it renewed its Reuters connection. AFP has been taken only since recent years: the French agency, which has maintained a bureau in Taipei since 1950,

was out of favour for a long while after one of its first correspondents was imprisoned on a spying charge. The ex-correspondent was still in gaol in 1973. The only other agency received by CNA at cost to itself is DPA; other agency services are received free or in exchange.

(v) Patterns of Cultural Dominance in Asia: Reuters Lead

After World War One, Asia's picture of the contemporary world was largely in the hands of one agency: Reuters. How does today's situation compare? There has been a trend towards equal representation of all the major agencies, but these of course are American and European. In addition to the big four, a few national and international agencies are taken by leading media: Antara of Indonesia and Kyodo of Japan for example. These are relatively short services, comparatively region-specific in content, and which are not greatly used by media outside their own domestic markets.

There is still a tendency in some areas towards cultural domination of just one or two global agencies. The major source of foreign news in India for instance is Reuters. Reuters is also the major agency in Hong Kong, and to a somewhat lesser extent in Malaysia and Singapore. Hong Kong of course is still a British colony; Malaysia and Singapore are ex-colonies. Reuters maintains a staff of between 45-50 people in Hong Kong, most of whom work for RES. Only about eight are regular news-gathering journalists. UPI actually has 17 editorial staff in

Hong Kong, but its bureau on the island is a computer centre for the whole Asian region. Hong Kong is a communications centre for AFP as well, and the French agency has a total staff of 24, 13 of whom work in an editorial capacity. The smallest of the agencies here is AP, with a staff of 18, of whom 8 are editorial.

In client terms, Reuters leads on the Hong Kong market. In 1973 it claimed to have 22 clients for the general news service, and another twenty subscribed to its special wire for foreign correspondents. Most important of all, Reuters is the sole agency taken by the Government Information Service (GIS), which acts like a national news agency and distributes Reuters foreign news along with domestic news to 67 clients, including newspapers, agencies, broadcast stations and local Government offices. (Its radio department also subscribes to UPI.) The two leading Hong Kong English-language dailies subscribe to a large number of services. Both the South China Morning Post (circulation 35,000), and the Standard (circulation 30,000) in 1972 subscribed to Reuters, AFP, AP and UPI. The Morning Post did not take Reuters for a long while, partly because it was 'too expensive', partly because they obtained a version of it anyway through GIS. The Standard decided to drop AP on the grounds of expense in 1973. Both also take the New York Times News Service.

The other agencies have a modest sales presence in Hong Kong. AFP for instance in 1973 distributed to 11 clients

by teleprinter, and a further 30 by bulletin, doing rather better amongst the Chinese papers than the English-language ones. The French agency is relatively well received amongst the Chinese in Asia. It exploits the bulletin form of dissemination, which is within the price range of the poorer papers, and sometimes translates these bulletins into the vernacular; it has a good record for coverage of the Mainland China, having Peking correspondents; and is in some respects less western in its emphasis. However, the reason why all the agencies maintain fairly heavy representation in Hong Kong has to do with technical and strategic reasons as much or more than commercial. Hong Kong is an important communications centre, cheaper in this respect than, say, Japan. It is the most important China-watching point, at which correspondents of the world's leading media organizations have traditionally gathered; and English is commonly spoken in official circles.

Reuters is also by far the largest of the agencies in Singapore. This is the agency's editorial and communications centre for South East Asia, and over 60 full-time staff are employed here, of whom are 15 editorial (5 of them work mainly on economic services). The other agencies employ only two or three people in Singapore. There is no official agency. The leading paper, the Straits Times, relied solely on Reuters for many years, but has recently started subscribing to UPI also. For a while it subscribed to AP, but now just takes the photo

service of the American agency - having dropped the general news service in retaliation, it is rumoured, against an AP story objected to by the Singapore Government. The Straits Times also takes RES, the New York Times News Service, and the Los Angeles Times-Washington Post.

UPI uses Singapore as a sub-regional centre for monitoring the coverage of Burma, Thailand, Malaysia, Indonesia. The Malaysian and Indonesian bureaux are considered by all four agencies as in some way subordinate to Singapore. All bureau chiefs in Singapore are western, whereas in the surrounding countries this is not generally the case, and communications tend to centre in Singapore. AP used to have a kind of Asian centre in Singapore as well, in the 'sixties, but now has nothing which really fits that description. Singapore was AFP's regional editorial centre before the move to Hong Kong in 1973.

Reuters does more business in Singapore and Malaysia than the other agencies, followed by UPI. There are many more media in Malaysia than in Singapore, and there is also a national news agency, Bernama. AFP is weak in Malaysia, and was the first agency to sign an exclusive distribution contract with Bernama in the early 'seventies. Only Reuters heads its Malaysian bureau with a western staffer. In Malaysia, the Chinese papers are considered the most important: the Chinese community is wealthier than the Malaysian or the Indian, and the leading Chinese papers, Nan Yang Siang Pau, and Sin Chew Jit Poh, attract

a good deal of advertising. RES goes to all banks, and some of the large companies; Reuters general news service sells to 9 papers (2 English-language, 2 Malay, 3 Chinese and 2 Tamil).

Largely because of RES, Reuters also does more business than the other agencies in Thailand, and it was traditionally the principal foreign agency. In general news, the market is evenly divided. Reuters claimed 40 clients for general news in 1973, of which 7 were teleprinter clients. The teleprinter clients are naturally the wealthiest, concentrated amongst the English-language and leading Chinese papers. Thai papers tend not to use as much foreign news, and to rely more on the American agencies. The services of all agencies are distributed in English, except for AFP which distributes bulletins in Thai and Chinese. In addition to its general news service, Reuters distributed economic services to 120 clients. All clients are based in Bangkok, because 'Bangkok is Thailand', and there are no daily papers outside the capital. (Perhaps this is a self-fulfilling prophesy: no dailies - no news service - no dailies?) Yet, up-country there are a large number of non-dailies which are issued once every five days, run between 4 and 32 pages, and carry a respectable volume of advertising.

AP has 14 teleprinter clients in Bangkok and 4 bulletin clients. AFP has a total of 25, many of them bulletin clients. UPI's is not known, but the second American

agency has a policy of not distributing bulletin services, in line with its general policy of rationalization and concentration only on the main markets.

In terms of staff the agencies are fairly even in Thailand (1973). Reuters employed a bureau manager (Thai), one main correspondent (Burmese) and around half a dozen operators. AP had an American bureau chief, two reporters and three photographers; UPI also headed its bureau with an American, assisted by a local reporter and business manager; likewise AFP, except that its bureau chief was French. The western correspondents tended to assist in general Indochina coverage during the Vietnam war, especially in coverage of Laos where only AFP had a resident full-time staffer.

American agencies in Thailand faced the nominal competition of USIS, but the USIS effort was directed mainly to the up-country papers which did not concern the agencies. In 1965, 42 out of 64 Thai radio stations, most of them owned by branches of the armed services, used some USIS and Voice of America material.[48] The US agencies do not provide services to USIS or VOA on a matter of principle established immediately after the last war, although they do serve American Forces Network. USIS influence is likely to be scaled down in any case in the future, and certainly in Thailand if the mid-seventies' rapprochement between Thailand and its newly communist neighbours continues.

In neighbouring Burma, the international news of the agencies is distributed by an official news agency, which has traditionally relied on Reuters for the bulk of its news. Coverage of Burma is conducted largely from Thailand: partly because reporting conditions are difficult in the Burmese capital, but also because Bangkok is host to different Burmese opposition groups, of which there are many, just as Beirut is a kind of political centre for many Arabic groups.

American Lead

In this part of South East Asia, Reuters appears to be the strongest of the agencies in terms of clients and in manpower, although much of this leadership is due to its RES divisional activities. The American agencies lead, as we have seen, in Taiwan, and also, further South, in the Philippines, linked to America by old colonial ties and continued business investment. The news media of the Philippines have long been dominated by American news values; and it was America which liberated the islands from the Japanese in 1945. For most of the post-war period, the Philippine press has been regarded as one of the freest in Asia, if not the world (it was the only Asian country in which newsmen's sources were legally protected). But it has numerous problems that afflict other Asian countries: shortage of newsprint, control by big business interests; relatively low readership. In the 'seventies, the advent of martial law brought about the closure of many papers, and the introduction of close

government scrutiny. But the reduction in numbers may have helped Phillipine media - especially broadcasting and television - to become more prosperous.

Before the Second World War, Reuters distributed in Manila through a local agency, Overseas News Incorporated. After 1945, it closed its bureau down until 1958, and now has one locally recruited correspondent and an editorial assistant, and servicestwo teleprinter clients with general news. It does have a sizeable clientele for RES services (about 400 in 1973), even though the Philippines is one of the few Asian countries in addition to Japan where AP-DJ also sells. The AFP bureau is headed by a Filipino, assisted by an editor. The service goes mainly to private clients. The American bureaux are much larger. UPI for instance employs a staff of 12 to 14, of whom 3 are newsmen, 3 are photographers. It puts out a local financial service (as it does in Tokyo), which, atypically for UPI, is distributed mostly by bulletin. The sales position of the American agencies was upset at the introduction of Martial Law, which saw the elimination of many papers, and clients. AP suffered a temporary decline in revenue of 70%. There are no sales to provincial papers, which are mostly weekly and very poor. The U.S. agencies have distributed independently for most of the post-War period, although Manila papers did combine to form a Philippines News Service. Its successor under Martial Law, the Philippines News Agency, did make a move towards monopolizing incoming foreign news, but this did

not immediately materialize.

Indonesia

Indonesia is about equally well, or badly, covered by the international agencies. The Indonesian bureaux tend to be subordinate to the Singapore bureaux: in an editorial sense for Reuters and UPI, in a communications sense mainly, for AFP and AP. The agencies are obliged to distribute through national news agencies, and there is a choice of national agencies. This was made mandatory in 1972-3. Reuters and AFP had in any case distributed through Antara, the leading agency, before then. UPI joined them that year. AP, characteristically, chose to be distributed by a different national agency, KNI, formed by 11 Djakarta newspapers in 1966 which wanted an agency free of any political affiliation. However the entire service of news and photos was not available even to clients who may have wanted it (as happens in Taiwan where AP goes through CNA). The agencies try to head their bureaux with staffers, and each bureau chief has around half a dozen editorial assistants.

French Lead

AFP has its own small area of influence in Asia: Indochina. But there are few Indochinese media, and those there are are extremely poor. The number in Saigon was drastically reduced in the decade 1965-75, and were served by the national news agency, which subscribed to AFP and the American

agencies. AFP was more important there before the escalation of American intervention, and had the largest bureau of all up until 1963. The press hardly existed in Cambodia and Laos. In Laos there were 11 dailes in 1958, with circulations of under 2000. They got their news from Xat Lao, the leading paper, or by monitoring the BBC, Voice of America, or USIS. The only international agency subscribed to was AFP, taken by the government paper Lao Presse, and used verbatim. AFP was also major source for the National Lao Radio, and when the teleprinter broke down, which it did frequently, it would listen in to the BBC, Voice of America or Radio Australia. So very poor media do have the option of foreign broadcasts, although these also (with the exception of the BBC and Voice of America) take nearly all foreign news from the global agencies.[49] The Indochinese situation has changed greatly in the mid-seventies, and the likely pattern for future years is the establishment of strong national agencies in Vietnam, Laos and Cambodia, which will be Government organs having complete control over incoming foreign news and its dissemination.

Australia and Oceania

Of all global agencies Reuters has had the strongest ties with, and interest in, Australia and New Zealand. The Australian Associated Press (AAP) is part-owner of Reuters, and helped in its coverage of the entire South East Asian region after the War, but is no longer important in this respect. The AAP and the New Zealand Press Association

(NZPA) are by far the most important news sources for Reuters and the other agencies in their coverage of these countries for the rest of the world.

There was a Reuters agency in Australia as early as 1861. Australian papers were strong enough and healthy enough to exhibit independence of mind in their relations with the British agency. When Australia was linked by cable to the Far Eastern network in 1872, the Melbourne Argus and the Sydney Morning Herald appointed their own London correspondents, and demanded that they receive Reuters news in London, where they could select it for themselves, and not from Reuters agents in Australia. They were each to pay as much as $2000 a year for this service - an average of 40 words a day. (Cable charges were £1 a word at first, and the minimum telegram charge was £20, although this became progressively cheaper over time.) These fees were about twice those paid by a London paper.

Australian papers had established a principle of independence in selection of Reuters news, and this carried on after their formation of a national news agency, AAP. For that reason, Reuters did not become involved in the internal Australian market as it did for varying periods in South Africa, India, Japan and Egypt. However, it did set up a telegraph remittance business between London and Australia, and during the bank crisis of 1893 which led to a rush to send money home to England, it made large profits. There was also a successful advertisement agency

in Sydney. Commercial branches established for telegrams and advertising could also serve as news bureaux when the need arose, but they declined in importance at the beginning of the century.

Between 1915 and 1925 Reuters resumed direct distribution of news to its clients in Australia, then reverted to allowing Australian agents to select the news in London. Some bad feeling emerged in the 1930's between Reuters and its clients over suspicions in Australia that Reuters had Government connections. These were smoothed over sufficiently by 1934 for Reuters to sign a contract with the newly-formed co-operative, AAP. After the war, the practice of AAP selection of news in London died out, especially with the development of regional bureaux, and regular Reuters-AAP conferences on regional affairs. AAP now also subscribes to AP and AFP. UPI goes directly to the Murdoch newspapers, ostensibly because Murdoch objects to AAP's monopolization of internal news flow (which prevents any of its members from having the luxury of an international service if other papers cannot also have it), but in practice his concern may be economic. The NZPA takes its foreign news from the AAP's Melbourne office. UPI also distributes independently in New Zealand.

In the Pacific area in 1974,[50] there were 8 daily papers, 4 papers appearing 5 days a week, and 20 weeklies. More than half of these were established after 1960. Only the larger of them take international news agencies: AP, UPI

and the two leading U.S. supplemental agencies go to the Gannett-owned papers of Guam; the Fiji Times subscribes to a file of Reuters, AP and UPI prepared for it by AAP; and the Post Courier in Papua New Guinea also takes AAP. In Tahiti the news media share the cost of a 3,000 word daily report from AFP, which also serves two of Noumeaz's papers, and three papers in Papeete. The Government of American Samoa uses the UPI broadcast wire for its 5-day-a-week News Bulletin. The global agencies have all penetrated the Pacific therefore, but Reuters rather less than the others.

Summary and Alternatives

The agencies in Asia distribute mainly to the wealthier media who can afford to take them. The English-language press is a particularly lucrative market, because this goes to elite audiences, attracts high advertising revenue (often from the multinational corporations, or handled by multinational, especially American, advertising agencies), and prints a relatively high volume of foreign news. In general, English-language papers are charged more than leading vernacular papers; even when their circulation is less, because their ability to pay is so much greater. A study in 1965 found that of thirty English-language papers in this region, 27 credited an average of 3.4 news agencies and 2.0 special news services per paper a week. The English-language dailies have 25.3% of the newspaper reading population.[51]

Vernacular papers tend not to print much foreign news, but this may be due in part to the absence of international news material. This material is often not available outside the capital, in which case there is complete reliance on the truncated version provided by the national agency; or in the absence of a nataional agency, on the provision of government information services such as USIS and BIS, or the monitoring of overseas broadcasts. USIS in particular concentrates its news activities in areas not served by the American agencies for lack of commercial suitability. If, as seems likely, there will be a reduction in this kind of official activity, there is a danger of greater undercover political pressure on the American agencies to perform the kind of function traditionally performed by USIS.

The vernacular press is generally very poor. An IPI study in 1968 showed that of 149 Chinese dailies published in Asia outside Mainland China, only 10 were making substantial profits, and the rest were working on a shoe-string. A survey of 36 Hong Kong Chinese papers in 1966 showed that only 9 owned their own equipment - and for international news they tended to use agency dispatches of larger papers without crediting them. There are news editors in Hong Kong whose jobs consist entirely in re-writing AP and UPI copy from other newspapers.[52] The vernacular press usually has to pay for the cost of translating agency services from English.

The agencies are the most important sources of international news. Most Asian countries have national agencies which take the bulk of their foreign news supply from the global agencies. Alternative sources include other national agencies and foreign broadcasts, but much of this material does in any case originate with the global agencies.

The global agencies tend to concentrate their manpower and office facilities in a few leading capitals of the economically most advanced countries, namely Tokyo, Hong Kong and Singapore. Of course, staff from these centres can be deployed in other parts of the region, and often are - but on a 'news crisis' basis - which on most counts is inferior to having a resident correspondent with well-established contacts. But the agencies prefer not to have too many 'fire-fighting' reporters. Such individuals rank highly on prestige, but are a threat to the bureau-chief system of authority precisely because they are mobile, and in any case are soon pilfered by newspapers and news-magazines once they have established themselves.

Alternatives to dependence on the global agencies by local media have been tried. There are basically three kinds of alternative. One of these we have explored already: the development of a national agency with its own foreign correspondents. This has really worked only in one Asian country - Japan. Many other countries set up national agencies which have the power to prevent direct distribution by the global agencies. This seems

if anything to detract still further from editorial news diversity without adding very much except the possibility of national political censorship. Censorship, of course rather than diversity, is increasingly the issue and the aim. Its justification is often couched in language of discontent about the western media, including the western news agencies, and western media sins of omission and commission with respect to the non-western world.[53] Much of this discontent of course has perfectly rational grounds. There are nevertheless other solutions to the problem of western media dominance. Two other solutions that have been tried are the regional news agency, and the exchange of news services between national agencies.

Regional news agencies have been attempted in all the major Third World regions. In Africa and the Middle East, the Ghana News Agency and the Middle East News Agency respectively, have largely failed to present themselves as convincing independent agencies with the better interests of Africa or the Middle East at heart, although each has tried to win itself that reputation. In South America, the agency LATIN has some claim to success. In each case there was still dependence on the global agency for extra-regional news. One interesting Asian example was the Asian News Service, which folded in March 1973 after eighteen months' operation as a teleprinter-distributed general news service. The agency was run and staffed by Asians, and produced some remarkable editorial copy. The reasons for its demise were principally economic - insufficient capital to cover losses in the first few years, and

insufficient executive experience. But there was also a shortage of interested newspaper clients. The papers which most needed ANS were perhaps the very papers which found it so difficult to pay for such a service - the poor vernaculars, rather than the wealthier English-language and western-oriented papers of the major Asian capitals. Communications costs were considerable. Since ANS leased its wires from Reuters, it could not hope for priority at a time of news crisis, but a time of crisis was precisely the time it needed to be able to demonstrate its capacity for speed as well as for hard copy. Another difficulty affecting speed was that the language of the service was English, the lingua franca of the region, but English was not the first tongue of the correspondents, who could not therefore operate quite as freely in it as western correspondents. Finally, some correspondents did have nationalistic prejudices which seemed to affect the agency's image in other countries.[54]

The second style of solution to dependence on global agencies is intra-regional exchange between national agencies. This in fact occurs on a large scale in Europe, and to a lesser extent in Asia and Africa. Outside Europe a major difficulty about such exchanges is that the national agencies are very often government-controlled, and this naturally restricts the value of their output. This output is often not very voluminous, and the exchange sometimes seems more diplomatic than journalistic in intent. It does not really help Asian countries towards

self-sufficiency of news-gathering, but does help widen the spread of dependence. It seems very likely that for most kinds of international news, the global news agencies are highly convenient sources, since news of different regions is already packaged together, whereas a large number of exchange agreements increase the amount of editorial work of a national agency without eliminating the need to monitor global agency coverage of the region in question, since at least on some subjects it is likely to be superior in speed and content. Agency exchanges affect the output of agencies, but not of individual media organizations directly; this is important where the national agency is government-controlled or in any way sub-standard. The main advantage about exchanges between national agencies is that reception is generally free, although cost is involved in transmitting a service overseas. However, the considerable improvement of intra-regional satellite communications in the late 70's (the Asian Telecom Highway connecting 15 countries from Iran to Indonesia was scheduled to become operational by 1977-8) coupled with the substantial support for the Third World News Pool expressed at the 1976 New Delhi conference of non-aligned nations (keenly endorsed by the agencies of Yugoslavia and India which had already made significant advances in this direction), suggests that this form of rationalized news-exchange may yet be the most effective counter to the influence of the western global agencies. For example, the news pool operated by Tanjug from 1975 (forerunner to the official pool) gave heavy emphasis

to news of Third World development (47%) although 60% of the Pool's content was contributed by just seven countries, of which only 1 had an established tradition of press freedom.[55]

In brief, the alternatives to global agency domination do exist, but are limited in scope. This is serious or not so serious, depending on one's political and cultural point of view. The choices of Asian news editors are not, for example, necessarily very divergent from those of western news editors: indeed, one recent comparative study between American and Indian groups of news editors' judgements of newsworthiness reported an overall similarity, with the most significant differences occurring on judgements about levels of conflict and on degrees of cultural proximity.[56]

But perhaps this simply reflects prior socialization of Asian newsmen into western, and as some would stress, capitalistic frameworks of value, mediated by socio-political interests of Asian elites. Nevertheless, there are two focal points of concern which are worth reiterating in conclusion to this section: the first is the question of whether Asian media generally can hope to exercise much leverage on the western agencies if they do not constitute a major source of revenue for those agencies; the second is whether the vernacular and non-metropolitan Asian press in particular can ever hope to receive the kind of compensatory attention it needs from the agencies if physical and economic obstacles in the information flow at its end are to be overcome.

There is no easy answer to either question. In the case of the first it may be that the agencies have never really been tried: there has been no sufficiently concerted or passionate attempt to change the content of agency services for Asia in any radical fashion, despite frequent complaints. This may reflect cultural identification of Asian elites with the west. But it is doubtful that this can be a permanent phenomenon: the possibility of new emergent informational needs in the course of social change is high. Social change, however, is often in the direction of various forms of socialism, and a switch of media dependency from one power block to another. Perhaps there is the possibility of changes in philosophy and content of the western agencies which could make this switch less of an automatic thing, but the importance of the market factor militates against this.

In answer to the second question, it is quite possible for the agencies to explore new services - new in the sense of packaging as well as in the sense of content - for the vernacular and poorer media, inside and outside the major cities; and while it may not be possible for them to derive much in the way of profit, perhaps the dominant aim should not be <u>not to make a loss</u>, but to do <u>as much as possible without making a loss</u>.

No one could accuse the agencies of excessive profiteering in the absolute sense: but it is possible that the new consciousness of market factors characteristic of the

agencies in the post-war era can close their minds to the kind of innovatory service which could seem totally insignificant in economic terms, yet represent an added dimension in news flow for the poorest and most forgotten media. So long as there is the possibility of some revenue, however slight, there is the possibility of some service. Whether this is 'realistic' in economic terms may be a matter of accounting procedures in some cases rather than a matter of actual financial impossibility.

1. Reported in The Times: May 13th, 1931.

2. Post Office Minutes: File 6413, 1933.

3. Benet, Vincent: The Story of the United Press; Fortune, May 1933.

4. Round Table: British News Abroad; Vol. 27; 1937, p.554.

5. Rugeroni, J.J.: Post Office Minutes; File 6413, June 6th 1938.

6. Editor and Publisher: 31st January 1959.

7. Williams, Francis: Transmitting World News; UNESCO 1953.

8. Editor and Publisher: March 1967.

9. Senior UPI executive in London, interviewed 1975. The situation is naturally fluid.

10. Hachten, William: Muffled Drums; 1971. Iowa State.

11. Shobail, Abdulrahman S.: An Historical and Analytical Study of Broadcasting and the Press in Saudi Arabia; unpublished Ph.D. thesis, Ohio State University, 1971.

12. Figures gathered by interview in the Middle East, January 1972.

13. IPI (1956): News in Asia; Zurich 1956.

14. UNESCO: Reports and Papers on Mass Communications; No. 30; Developing Mass Media in Asia; Paris 1960; p.77.

15. Ibid; p.79

16. Hohenberg, John: The Flow of News Between Asia and the West; Neiman Reports, March 1967.

17. Garver: Content of Korean Language Daily Newspapers; Gazette, Vol VIII; 1962.

Sunwoo Nam: The Flow of International News into Korea; Gazette, Vol. XVI, 1970

Khurshid, Abdus Salam: Content Analysis of Daily Press in Pakistan; Gazette, Vol.XII,1966

Snider, Paul B.: The Route of International News to the Press of Afghanistan through Bakhtar, the Afghan National News Agency: A Flow-Study; Gazette, Vol. XIV, 1968.

18. Storey, Graham: Reuters' Century London, Max Parrish, 1951. Chapter 5.

19. For details of Indian agency history cf. Fernandez, T.: The News Agencies; in Journalism in Modern India, ed. Roland E. Wolsely; Asia Publishing House, 1964

20. The term 'mosquito' derives from their clustering along mosquito infected coastal areas.

21. Desmond, Robert W.: The Press and World Affairs; D Appleton-Century Co.; New York 1937; p.341.

22. Morris, Joe Alek: Deadline Every Minute; Doubleday 1957; New York.

23. Ibid.

24. Ibid.

25. Nash, Vernon: Chinese Journalism; Journalism Quarterly, Vol. 8; Dec. 1931; p.448.

26. Britton, Rosewell S.: Chinese News Interests; Pacific Affairs, Vol. 7; June 1934. P.184-5.

27. Nash, Vernon: op. cit.

28. Britton, Rosewell S.: op. cit., p.187.

29. Nash, Vernon: Chinese Journalism in 1933; Journalism Quarterly; Vol. 10; December 1933, p. 318.

30. Ibid.

31. Nash, Vernon: op. cit.

32. Nafziger: Journalism Quarterly, Vol XVI, September 1939, No. 3 (Overseas Notes).

33. Ibid.

34. Anon: British News Abroad; Round Table, Vol. 27; June 1937, p.541.

35. Geyn, Mark: A Million Words of Poison; Saturday Evening Post; 217,22 June 16th, 1945.

36. Allen, L.F.: Effect of Allied Occupation on the Press of Japan; Journalism Quarterly; No. 24, 1947.

37. Client figures quoted in the chapter for 1973 were obtained through interview with senior agency executives February-March 1973.

38. Internal Reuters memorandum.

39. Interview with senior AFP executive in Tokyo February 1973.

40. Reuters internal survey based on incomplete Kyodo foreign desk logs for three months of 1971 and 1972.

41. Senior Reuters Executive in London, 1974.

42. Senior PTI HQ Executive, Bombay, October 1973.

43. Ibid.

44. Karnow, Stanly: Snaring the Dragon from Afar; Neiman Reports, October 1960.

45. Liu, Alan P.L.: Ideology and Information; Correspondents of the New China News Agency and Chinese Foreign Policy Making; Journal of International Affairs; 1972, pp.131-45.

46. Publicity brochure; Central News Agency of the Republic of China; 1971.

47. cf. Marchetti, Victor, and Marks, John D.: The CIA and the Cult of Intelligence; Jonathon Cape; London 1974, pp.45, 157-160, 30-32.

48. Mitchell, John D.: Thailand's Unexamined Media; Non-Daily Newspapers and Radio-TV; Journalism Quarterly, Vol. 42 No.1., 1965.

49. Lent, John: Mass Media in Laos; Gazette,Vol.XX, No.3; 1974. pp.171-179.

50. Richstead,Tom and McMillan, Michael: The Pacific Islands Press; Journalism Quarterly, Autumn 1974; pp.470-497.

51. Lee, John: International Flow in the Expatriate English-Language Press; Journalism Quarterly; Autumn 1965.

52. Clayton, Charles C.: Hong Kong; in The Asian Newspaper's Reluctant Revolution, ed. John Lent; Iowa State University Press; Ames 1971.

53. A further important aspect to this question is that a government can save foreign exchange by requiring that all local media purchase their foreign news via a national agency. Since governments which make this a rule are frequently in control of all national media in any case, indirect foreign news supply is a convenient rationalization.
See Wilcox, Dennis L.: Mass Media in Black Africa; New York, Praeger, 1975, Chapter 6.

54. Interviews with ex-ANS executives, Hong Kong, March 1973.

55. Pinch, Edward T.: The Third World and the Fourth Estate: A Look at the Non-Aligned News Agencies' Pool; 19th session of the Senior Seminar in Foreign Policy: U.S. Dept. of State, pp.5-13.

56. Chaudhary, Anju: Comparative News Judgement of Indian and American Journalists; Gazette, Vol. XX, No. 4; 1974;

CHAPTER SIX: Big Business in Non-Media Markets

The agencies are not concerned exclusively with media markets. The European agencies in particular have always been as much involved in non-media as in media markets, even if they have remained close to the kinds of service which media organizations are best equipped to provide. This is true of many aspects of the media business: techniques and practices that are suitable for journalism are good also for public relations, advertising, intelligence and propaganda.

To understand any organization it is necessary to look at the beneficiaries of that organization's output; clients are generally one of the most important groups of beneficiaries, and they are the ones who, in a market situation, put up the cash on which the organization's continued existence depends. This is not to ignore that there are other beneficiaries too - the employees amongst them - whose interests shape the organization's real 'goals'. But if the organization needs a cash relationship with those for whom it provides a service, then it must of course produce something that gets near to what those clients want or have been led to believe they want. In short, the nature of the clientele is an important clue as to the nature of the organization.

With this in mind it is useful to make a distinction between media and non-media clients for the further understanding of global agency operations; on this distinction

rests the issue of survival so far as at least one of the agencies is concerned and indeed, the viability of the concept 'news agency' as commonly used in the western system.

A media client is one who uses the agency service as a contribution to his own communications package, designed for sale or distribution to a mass market (i.e. a heterogenous market which stands in relation to the media organization primarily as audience). A media client is typically a newspaper, radio or television station, or a national news agency. A non-media client on the other hand buys the agency service for his own immediate use, with no intention of distributing it in some or other form for other audiences, except perhaps in the very limited sense of his own organization or except in the case of an advertiser. But in the latter case, it is not the sale of a news service that is important but the sale of a communication facility which is then used by the advertiser for the distribution of a message in the construction of which the news agency has usually had no role. Although important for this study, the question of advertiser non-media clients is largely historical. The needs of non-media clients today, then, are primarily informational - as in the case of an embassy, government department or private club; and may or may not be profit-oriented. If profit-oriented, the client is usually a stock-broker, finance institution or a large commercial organization.

There have been three major categories of non-media client in the history of the agencies:

(i) Commercial and finance institutions

(ii) Advertising agencies or advertisers

(iii) Governments

These categories are not mutually exclusive. For instance, finance institutions are often related to State organizations and advertisers may be State organizations or finance institutions. We have said that an agency relationship with an advertiser is usually of a different order from other agency relationships. In its relationship with an advertiser the agency is not simply offering a news or informational service. It is actively assisting the advertiser, in any of a number of ways, in the promotion of information or publicity material which is clearly and deliberately designed to further the particular objectives of the advertiser or the advertiser's client, and there is usually no pretence to the contrary. Even here there is possible overlap with other agency functions, since some critics would argue that in devoting a considerable proportion of their news-gathering resources to the routine coverage of State activities, agencies do assist Governments in the fulfilment of their objectives in ways which belie the agencies' formal claim to neutrality. But this is a question which must be left for later evaluation of typical news-gathering practices.

This chapter is concerned mainly with the first two categories of non-media client: commercial and financial

institutions, and advertisers. In servicing these categories of client the agencies have tended to employ distinct news selection criteria, for the provision of news services of a very different character than those generally provided media clients. Governments on the other hand, although they sometimes subscribe to these different services as well, usually look to the agencies for the same kind of general news services which are provided for ordinary media clients.

The importance of non-media clients varies between the agencies. For Reuters, non-media clients for its services of economic news have always been important as sources of revenue, but never more consistently as in the period following World War Two, when they have come to account for well over half and nearly three-quarters of the agency's overall revenue.[1]

AFP's predecessor, Havas, operated as an advertising as well as a news agency. This was a major source of revenue in the inter-war period, and greatly influenced the relationship between the agency, government and commercial advertisers, and its newspaper clientele. Since the Second World War, AFP has had no advertising activities of the kind cultivated by Havas, but does run an economic news service for the non-media market. Its major non-media client category however is the Government and Government departments or agencies.

The American agencies do not depend on a non-media market to the extent that is true of the European agencies. Nevertheless they have substantial economic news services for non-media clients, the most important of which (because it is international) up to 1975 is a joint operation involving AP with America's largest economic and financial news agency, Dow Jones.

Why should these non-media markets be considered important enough for separate investigation? In the first place because they are intimately bound up with the origins of the agencies and if one regards the originating process as one in which certain basic choices are made which can have and usually do have long-term consequences, then they can scarcely be ignored. Secondly, their sheer revenue importance in the case of the European agencies must be considered a significant feature, given the common opinion that he who pays the piper plays the tune. And in fact investigation does indicate new directions, new modes of organization and distribution that have been adopted which reflect the interests of non-media clients.

(i) Reuters Economic Services

The agencies are primarily service organizations. They define their activities in the rhetoric of service, and because their clients include mass media whose products of course are consumed by the public, there is a tendency to think of them in terms of public service institutions.

To an extent this is certainly true. But it should not blind one's attention to the fact that in their earliest days, in the case of the European agencies especially, the idea of service was no more prominent than the idea of profit. In a similar but more lucrative way, banks combine the most rigorous service ethic with the ingenuity of any profiteer. It is necessary to see the European agencies therefore as the inventions of entrepreneurs, and their expansion as the application of business acumen and the shrewd eye. This is manifest in innumerable ways: the personalities of the founders, the first location of their offices, the character of their first clients, the stress on the gathering of economic news, and the general character of their entrepreneurial activities.

Reuters and Havas were conceived as business operations, and the origins of both lie in the demand for financieal intelligence from an increasingly international European business community. Havas was a financier before he started his agency, who was described by Storey as a 'rich merchant from Oporto', and business clients were among his most important in the first eight years of the agency's life. First location for L'Agence Havas was close to the Bourse de Commerce in Paris. Reuter's first London office was established as near as possible to the Stock Exchange, which is where he installed one of his first correspondents. For the first seven years of the agency's history, the most important clients were financiers and

merchants, (prominent amongst whom were Greek merchants), and who took a service that was primarily economic. The German agency, Wolff, was supported by both Government and banking houses. The first exchange agreement in the history of the three major European agencies was for an exchange of news of Bourse and trading activities.

Economic news generated more speed in the activity of journalists in those days than anything else except War, which was usually considered important because of its economic implications. Sales competition in economic news was great: competition was the reason Reuter left the Continent of Europe and came to London. Even as the relative importance of non-media clients for economic news declined, he expanded the agency's involvement in alternative revenue-promoting fields of only incidental relevance to general news-gathering. Economic intelligence was also one of the agency's major attractions to the English press. One reason why the Times was last of all Fleet Street papers to subscribe to Reuters was because it had its own service of market prices; one of the first advantages of a subscription to Reuters that attracted the Times was the possibility of an American Money Service. Reuter's most important and earliest groups of clients in Eastern Europe, India and South America were generally merchants. Before South America was signed over to Havas, Reuters ran a commercial service between Rio de Janeiro and the main Continental markets. In Australia the market for economic news and the private telegram service was more profitable than

newspapers. Much later, when Reuters switched to radio from cable, the first wireless services dealt in commercial news, followed by general news services some eight or nine years afterwards. All this raises the question: why did Reuters move into general news at all? The requirements of financial and economic news clients also favoured a general news service, since the two were not always to be distinguished. General news was a means of public legitimation for a German national who was sometimes considered with suspicion by the London Establishment. Newspapers were an obvious secondary market; and they were an excellent advertisement. They were also rather more exciting and prestigious. One of Reuter's early colleagues, Sigismund Englander, who did much to build up the Continental Service and who had a reputation as a political radical, encouraged Reuter to take political news seriously. Finally, growing interest in general news was encouraged by cheaper telegraph rates, which allowed for wordier dispatches.

Baron Reuter had other business interests. One of the most successful of these was the private telegram business. The agency created its own codes to allow for exceptionally cheap transmission of private messages. Other ventures were not so successful: he bid for a concession from the Shah of Persia to build a railway from the Caspian Sea to the Persian Gulf, and to operate it for seventy years. Otherwise ill-fated, this venture had one favourable outcome. In satisfaction of his claims for indemnity for his initial outlay in the railway project, Baron Reuter was

given the right to found the Imperial Bank of Persia, of which he was to become one of the directors. In 1891 this bank advanced a large loan to the Persian Government and was to play an important part in stabilizing the country's finances before the First World War. One especially blatant instance of the Baron's shrewdness in business dealings occurred in 1870, when he secured the exorbitant sum of £726,000 from the state for his sale of the Norderney Cable - which had cost him £153,000 in 1866.

Neither Reuter nor Havas, Storey tells us, were above accepting a few subventions to help pay the costs of communication. For twenty-five years each agency received a thousand pounds a year from the Khedive of Egypt towards the expense of cabling messages to and from the Egyptian Government. The Viceroy of India used to pay Reuters the transmission costs for some of his speeches to be telegraphed home to England. In turn, Reuters was of quite considerable importance to some of the telegraph companies. A report of the Indian Telegraph Administration of 1888 during the Afghan war said that its increased revenue was due mainly to 'the length and frequency of Reuter messages'.

Jealous of Havas' success in advertising, Reuter tried and failed to purchase a share in that agency in 1874. But later on Reuters made its own entry to this field in an effort to off-set mounting deficits in the general news operation. The Reuters Advertisement Branch, established in 1891, had little success - largely it seems because of

executive incompetence. The Telegraph Remittance business, however, which involved the cabling of money, paid off the losses incurred in the advertising venture, and contributed greatly to the overall profitability of the agency. In 1912 a Reuter's Bank was founded - the 'British Commercial Bank'. Capital from this venture was also employed in the setting up of a Reuters Financial Publicity Department, which met with strong opposition from both the press and regular advertising agents, and was later closed. The telegram traffic department also closed down in 1915, after a prohibition which applied to all private cabling codes. This threw the Bank into jeopardy by unstabling Reuters' main source of profits at the time, and created the conditions in which a new private company, inspired by Herbert Reuter's successor, Roderick Jones, was formed to take over Reuters. The company was later bought by Roderick Jones, who in any case put in much of the capital. The bank was sold off to a commercial group..

1914: Change of Strategy

The role of commercial information continued to be important after the First World War, although the agency's image was much more bound up with its general news services. The main non-media activities after all had folded; and under new ownership, the agency's strategy changed. It sought security through respectability. This took several forms, most important of them being the fostering of good relations with the government by placing at its disposal the agency resources for a service of Allied communiques and official

news to neutral countries, British Empire and Allied troops. The service was financed by the government, which paid transmission costs at the rate of £120,000 per annum. The second corner-stone of the new strategy was to involve the press more closely in Reuters' activities. Roderick Jones initiated a scheme which brought the Press Association into part-ownership of the agency in 1925.

Security, the new Board decided, lay in Reuters' future as a British Institution, but without losing its reputation for independence; a difficult course to steer, and not a successful policy. Having compromised its independence in relation to the Government, Reuters was not able to benefit from huge subsidies, as the Continental agencies had done without alienating his newspaper clients. Yet overseas clients, perceiving the pro-Imperial bias, assumed there was a massive Government subsidy. Had there been, it would be difficult to explain just why Reuters did lose ground so calamitously during the inter-war period in most parts of the world where before it had been dominant. There were some Government connections of course, a great deal of Government sympathy, and this threatened to become substantial had not World War Two and the British national press intervened. The policy of having the agency's costs underwritten by the British and Commonwealth press, in its turn, was unsatisfactory. These newspapers did not make that amount of money. A return to Government support was inconceivable, both to Reuters staff and to the British press as a whole, and probably not desirable even to the

Government. What in fact emerged was a partial return to the original supremacy of the economic services.

Commercial Services in the Inter-War Period

The place of the economic services as an important revenue earner had been displaced by the comparative but temporary success of the private telegram and telegram remittance activities which, according to Cecil Fleetwood May who once organized the commercial operations of Reuters, were the 'bread and butter, while the revered news service was the marmalade'. They disappeared after World War One. The commercial service, meanwhile, 'continued to exist, but only in an extremely under-privileged condition'.[2]

The essence of the commercial service was the reporting of market quotations, not considered an especially noteworthy exercise evidently, and situated up a spiral staircase in the roof of the Old Jewry office, 'looked down upon, despite its elevated position, by the literate on the news desk'.[3] Then as now the commercial service actually embraced a number of different packages for different markets. These packages included:

- The Commodities Service, which concentrated on foreign markets: rubber prices for Singapore, wheat for Sydney and cotton for Bombay.
- The Trade Service, which extracted commercial information from the general news service and sold it to trade newspapers and business firms. The Yokohama earthquake in 1921 inspired the

development of a Reuters silk service, to keep London silk merchants informed of the havoc created on world markets by this catastrophe.

- American markets service.
- Foreign Exchange service, which set the rates for all the major currencies for overseas subscriber banks and brokers. Reuters had ten private lines to leading foreign exchange dealers and banks, and the method was to compile mentally a progressive mean rate of all the buying and selling rates as a reporter made the rounds by 'phone.
- A Wireless Commercial service. The first use of wireless by Reuters was for the commercial service. It was no coincidence that the head of Reuters Commercial Service in the 'twenties was also wireless manager. Cotton and other prices were picked up by wireless, through arrangements with the Post Office, from Liverpool, New York and other exchanges, and messages not more than two minutes old were distributed throughout Europe, Egypt, India, China and elsewhere. The success of these commercial operations inspired the development of cable networks in Europe.

Well before World War Two, therefore, the economic services had developed considerably, and in a direction related to current structure, but today they have far greater significance; this is partly because they are absolutely more important today in revenue terms, but also because before the War they were not considered entirely 'respectable' to merit too much discussion. They were perhaps more visible in the 'twenties than in the depression years of the 'thirties. But even in the 'twenties there is reason to suppose that Roderick Jones, anxious to forget the agency's earlier misguided adventures in advertising and banking, did not want them to become too important. For one thing, they disturbed the press. When members of the NPA were approached about the possibility of joint-ownership of Reuters along with the PA, one issue raised was the separability of the commercial from the general news functions.

1945 Onwards: Unfettered Expansion

Such fears are now actively disowned. The economic services today are seen as the vital contribution which maintains Reuters as a truly 'independent' news organization. The post-war years have been ones of intensive activity in this sphere, in part matching the growing awareness of economics by the media (in 1950, for instance, financial and business news was a negligible item in the average U.S. paper, but accounted for between one and five pages in many 1970 dailies) and mostly reflecting the growth of demand for economic information in the non-media market.

Post-war expansion began with two important developments that greatly broadened the international character of Reuters' commercial news-gathering operations:

1. In 1946 Reuters bought up a specialist economic agency in Latin America - Comtel - by which name the economic services were to be known until the mid-sixties. This was the main product of Reuters activity in the old Havas markets in Latin America during World War Two. One of the principal figures responsible for the development of Comtel under Reuters was Alfred Geringer, who later founded his own highly profitable commercial service in London - Universal News Services (UNS).

2. After Comtel came a joint operation with the new West German agency established in 1949, DPA, for German economic news. Third partner in this operation, Vereinigte Wirtschaftsdienst (VWD), is the German Federation of Industry. Since 1973, Reuters competes with DPA in the general news market, yet co-operates with it for gathering and disseminating economic news services. Most important market for Comtel in the first few years was London, followed by Paris. For a few years in the 'fifties, according to annual reports, Comtel even incurred losses, but these may have disguised unusual internal accounting systems.

Expansionary activity increased greatly in the early 'sixties,

after the succession of Gerald Long to the position of General Manager. His first major decision was that the economic services should be expanded. He believed it was necessary for Reuters to adopt an explicit marketing strategy, in opposition to its reliance on the old 'service' image.[4] This way, it could fend for itself without resort to direct or indirect Government support, or dependence on a national press which itself was entering a time of financial difficulty.

Coincident with the expansion of economic services, was an extraordinary increase in communications capacity as a result of the introduction and exploitation of the telephonic cable, and multiplex lines. Reuters was the first news agency to lease a duplex teleprinter channel to Moscow. This was in 1961, the year the Post Office increased overseas radio transmission costs by 16%. Shortly afterwards, the agency replaced its North Atlantic radio link with a twenty-four hour two-way cable; it applied the frequency division principle to its London-Montreal line, which meant that a single voice frequency circuit was split up into twenty-two duplex teleprinter channels. The principle was afterwards applied to all its Atlantic communications channels. Not only did communication capacity increase but the relative cost of communication per unit message was tending to decrease in real terms. This was an excellent time for increasing existing service volume, if desirable, or for creating new services.

The Computer Era

Another sign of the rising star over economic services was the Reuters deal with Ultronic Systems in 1964. Ultronics is an operating unit of the General Telephone and Electronics Information Corporation (GTE), New York. The deal gave Reuters the world rights outside of the United States to Ultronic's market quotation interrogation and display systems, and it marked the entry of Reuters into the field of computerized services.

Comtelburo was renamed in 1966 as Reuters Economic Services (RES), identifying the economic services closely with the Reuters trademark. Economic services were no longer to be considered an embarrassing sideline. With 'Stockmaster', a product of the Reuter Ultronic deal, and similar offerings, the character of these services greatly changed in image:-

Stockmaster

This was 'a desk-top unit which at the push of a few buttons provides the subscriber with an up-to-the-minute quotation of any one of more than 10,000 stock or commodity prices on the main United States, Canadian and some European Stock Exchanges'.[5] A client could ask for a particular market price, or the maximum or minimum price of a stock in the previous 24 hours' trading. Interrogation possibilities became progressively more sophisticated.

Customprice

Customprice, the second computer-based service, was used for portfolio valuation, safe custody charge calculation, general investment administration and statistical analysis. It involved the collection of 25,000 security prices. It provided general data analysis for background; though up-to-date it is not simply a 'spot-news' service.

Videomaster

The introduction of Videomaster in 1969 greatly extended the principle of video-display of stock exchange quotations that had been introduced on the United States market in the form of Lectrascan, which provided instantaneous details of transactions of the New York and American Stock Exchanges, and Videoscan, a closed circuit TV display of stock exchange transactions and news. Videomaster is a typewriter-sized information display and retrieval unit which combines keyboard and television. It can give 18 pieces of information about one selected stock simultaneously, or monitor the Last Sale price of up to 18 chosen stocks simultaneously, or give warning when a particular stock reaches the high or low price limit the subscriber has set on it. It can also display Reuters general news summaries.

The growth of Computer Services has been accompanied by an equally rapid development of teleprinter services in the economic field: the Reuter Commodity Report, covering speculative American commodities; Reuter-Agefi in Europe, in partnership with the French financial paper Agefi (Agence Economique et Financiere); and in Switzerland, the Swiss Bourse ticker, designed to meet the needs of Swiss banks for domestic financial information. All this was in addition to 'basic' RES teleprinter services. In 1971 these included Comeuro- a comprehensive world economic service with particular emphasis on commodity prices, market reports and news; Fineuro, a composite of three other services (Reuters Business Ticker, International Financial Printer - a fast service for European banks and businessmen dealing in stocks and exchanges, and Wall Street Printer, mainly for American brokers); Midecon, based on Comeuro, but including the highlights of the Fineuro service as well as foreign exchange details; Comwestaf, a cocoa and commodity news service for West Africa; Comeastaf, a similar commodity, financial and prices service for East Africa; and Finmid, for Kuwait and the Lebanon.

Depression in the early 'seventies affected the economic services and reduced their rate of growth as activity on stock markets declined drastically. But at least one new service was designed to off-set even this obstacle to profit. The innovation was the Monitor Service, launched in the summer of 1973, on the strength of a Eurocurrency facility of £800,000 raised from Reuters' principal

bankers. Reuters' Monitor provided immediate and direct access to the money market rates of leading world banks. The service was unique in the sense that whereas stock and commodity markets had centralized dealing floors, this was not true of the money market - in a sense the Reuters' Monitor was the dealing floor. The existence of the service directly contributed to changes in the nature of the reality it reported, but, if anything, in the direction of greater stability. In the old system of person-to-person enquiry for money rates, the enquiry itself could have the effect of driving the market one way or another. But the Monitor makes it possible for a subscriber to interrogate the market in complete anonymity. By mid-1974 the Monitor service was installed in the U.K., United States, Canada, Switzerland, Germany and Holland, and extensions were planned for Belgium, Austria and Spain. By Autumn 1975, 500 subscribers were connected with the Monitor service with a further 150 awaiting installation.

The teleprinter version of Reuters Monitor is the Reuter Money Report, covering news of exchange rates, exchange or capital controls, bank rates, major credit policy decisions, gold and silver prices, Euro currencies, major money market instruments, international monetary and trade negotiations, major domestic and international loans, inflation and interest rates. An Asian version of this report was introduced in 1974, which included market reports and important general news from Hong Kong, Singapore, Malaysia, Bangkok, Manila and Tokyo. The number of sub-

scribers to the Money Report rose by about 40% in the year 1972, aided by currency turmoil and fluctuations, which also caused a sharp increase in the cost of news-gathering. Unsettled economic conditions in the early 'seventies also gave a boost to activity on commodity markets.

In developing nations, bulletin services are very common - these are mailed or hand-delivered. They give rise to a disproportionate amount of work for the revenue they generate, and may eventually be phased out.

The introduction of computer-based services and the general development of the economic news field, have demonstrated several important trends:

(1) Extremely rapid rate of adoption of these innovations heralded a period of sudden developments, structural changes, and a new dimension of executive decision-making in the agency business. Stockmaster was introduced to the leading countries of Europe in its first two years; by 1966 it was in Hong Kong, and the following year spread to Italy, Mexico, Venezuela and Bermuda. The number of Stockmaster units in service increased from 2,000 in June 1969 to 12,578 in 1971. Custompriçe, introduced in 1966, was selling in Beirut by 1967, Austria and the Caribbean in 1968, Australia 1969, South Africa and Kuwait in 1970. The number of Videomaster units increased from 300 in 1969 to 6,477 in 1971, to 24,000 in 1974. The system arrived in Japan in 1973, where subscribers can interrogate a

London computer and obtain a response in four seconds.

(2) Increasing interdependence with other agencies, economic news media and finance institutions. Much more than in the general news field, RES expanded through the development of exchange agreements for the purpose of distribution, greatly increasing and complicating its institutional links with the capitalist system. The 1964 deal with Ultronics was the first major example. Expansion of Customprice involved many further arrangements: it was made available through Extel's Focus Service in the U.K., the Boersen-Daten-Zentrale (BDZ) in West Germany; Investors Management Services (IMS) - a subsidiary of Standard and Poors - in North America; and Nihon Keizai Shimbun - leading Japanese financial paper - in Japan. These organizations sometimes allowed Reuters exclusive distribution of their services on the world market, in return for exclusive right of distribution of Compustat (as is the case with the IMS and NKS agreements).

Some of the leading agencies and institutions now directly associated with Reuters through the distribution of RES services include: Cosmo in Switzerland, now owned by Reuters; VWD in West Germany; ANETA, the Dutch national agency which also services Belgium and Luxemburg; Comtelsa in Spain, which is a joint venture with the Spanish economic agency; Radicor, a subsidiary of the national agency ANSA in Italy; and through the national agencies in the Scandinavian countries. Reuters has similar arrangements with

associate agencies in India, Pakistan, Burma, Cambodia, Indonesia, South Vietnam, South Korea, Japan, Australia and New Zealand. It distributed independently in Hong Kong, the Philippines, Thailand, Ceylon, Singapore and Malaysia. In the Middle East until 1969, Reuters distributed its economic services through the Regional News Service (RNS), and now distributes either independently or via national agencies in this region. In Israel, distribution was through the Israeli News Agency (INA) until 1969; now, Finmid, (a teleprinter service - see below) goes direct to Israeli banks, but the national agency has the rights to the Comid service. Comid is distributed via MENA in Egypt and AA in Turkey.

(3) Further structural imabalances. The character of these developments in economic news services have inevitably confirmed and increased the extent to which news-gathering and news-distribution functions are concentrated in favour of interests of the developed western world.

The two most active markets for RES services were North America and Europe in the early 'seventies. Chapter 3 examined the role of RES in establishing Reuters as an independent force in North America. By 1969 RES was trading in every European country with the exception of Albania and Iceland. Three main European profit centres were the United Kingdom, France and Switzerland (France accounts for about 10% of all RES revenue). Even as early as then, computerized services accounted for 55% of RES

profit in Europe, and this was expected to rise to 65% in 1970. Other important revenue areas include the wealthiest countries of other world regions, notably South Africa and Japan. Although RES services consume a great deal of technical and routine editorial activity, the number of real news-gatherers for RES - journalists who literally go out to get the news - is very small, amounting to 10 or 11 in continental Europe in 1971, perhaps 2 for South East Asia excluding Japan. The reason for this is that actual news-gathering tends to be done by general news journalists or by Reuters World Service personnel. A great deal of economic information is in any case obtained through exchange arrangements with other agencies, and the information is such that much of it can be gathered almost electronically. Finally, in some major bureaux where economic news is generated in as much volume as general news, the activities of general and economic news editing are closely integrated, and this occurs in North America and Japan.

The main data centres for Reuters services are located in the United States, Europe, Australia, the Far East and South Africa. Of 25 stock exchanges covered by Videomaster in 1974, 12 were located in North America, 5 in Germany, and the others were in London, Paris, Milan, Amsterdam, Brussels, Zurich, Tokyo and Sydney. The growth of personnel as a result of RES expansion has therefore tended to occur in those centres which were best covered by the general news services in any case, and intensified structural imbalances that favour the news requirements of the western world.

Most clients are non-media clients, because these services are not designed for media consumption. These include corporate treasurers of multinational companies, commercial banks, government treasuries and foreign exchange dealers and brokers. Banks are the single most important type of client for RES services. Computerized services produce 65% of all RES revenue, although the number of clients for teleprinter services is still greater. Most clients in Africa take teleprinter services or bulletins. In Europe, United States stockbrokers were the single most important kind of client at first, but their importance declined over time relative to other categories. Elsewhere, U.S. clients are still very prominent. The eight largest clients for Stockmaster in Hong Kong in 1973 were U.S. companies. In Kuwait, location of most Middle East clients for this service in the early 'seventies, the three most important client categories were banks, money changers and American stockbrokers.

The system is very flexible in catering for specific regional needs where necessary. In the Far East, Stock-master services had to be regional in content. World-wide services were not sufficiently in demand, nor was there sufficient communications capacity. The consequence was heavy development of regional economic service teams, based in Hong Kong and Singapore. The teleprinter services, as we have seen, are greatly regionalized.

(4) Changing Relationship between Economic and General News Services. Developments of the economic services increased the size of RES in terms of personnel, and accentuated its importance in relation to the General News division. In 1966 a new RES bureau was opened in Chicago, anticipating the break with Dow Jones, and preparing for a massive commodities news-gathering operation in North America's largest commodities centre. Expansion of economic services in North America was the main impetus behind the opening of Canadian bureaux for the first time in 1975. New bureaux were opened in Australia - Canberra (1969) and Perth (1970) - where before AAP had been the main news source, but AAP was involved in distribution of Stockmaster services in Australia. There were nine full-timers covering Australian markets in Sydney and Melbourne, and further expansion was expected. By 1973 some 70% of the agency's revenue could be traced to economic services, and a hefty proportion of this was from non-media clients.

The rapid growth of RES had changed the structure of the British agency, and employee perceptions of it. In particular the growth of RES was related to the expansion of Reuters in North America, with the result that in 1974, Reuters North America became a separate division. The revenue generated by RES made the general news services look very wretched by comparison, even if they did contribute to RES output. So in the new alignment of 1974 the general news side became a 'cost centre', (with the title of Reuters World Services - a major input for the 'profit' centres

which were North America, media services, economic services - but which was not itself considered in terms of profitability. In this way, the traditional image of the organization, and the centrality of general news journalism, were restored, at least on paper. Restored so well, in fact, that for a while some RES personnel feared they would be answerable to colleagues who before had been their equals on the general news side. But this did not happen, and RES has continued very much unchanged at the time of writing.

(5) Growth of R & D Functions. The success of the economic services is largely based on the development of a technical infrastructure at Reuters, able to adapt and innovate in the area of computer technology. The key to this infrastructural capability was the data processing section of the Technical Department. Economic services benefitted most because the media market was not sufficiently wealthy to be able to pay for computer-based services to the same extent as the non-media market; the general news function is in any case far more fluid and its product less amenable to computerized presentation on its own by comparison with stock exchange quotes - there are no homogeneous bodies of consumers in general news whose information needs to be codified, enumerated and parcelled out as straightforwardly as in the economic news field. The numerate quality of economic services allows for great flexibility in distribution according to market requirements. (But by the late 'seventies it seemed that the difference between general and economic news on this criterion was perhaps only a short-term phenomenon.)

The media market might conceivably benefit from some computer-based services - a headline service for instance which would give a newspaper a list of the available stories of the day so that an editor could then select which stories he needed by pressing a button or two. Such a service, on the way to becoming an established feature on the North American market, would possibly suit some newspapers some of the time, but editors might well tend to prefer to keep their options entirely open with a teleprinter service, which is cheaper in any case. Where headline services have been introduced in the United States, the papers have so far retained traditional teleprinter services as well. There are certain specific sub-functions in general news which could more usefully be computerised: the provision of 'profiles', for instance - concise personal background histories of newsworthy figures. One problem with this is that a large proportion of newsworthy figures have not been in the news before, and will not be in the news again, so that a profiles service would not be able to meet on-spot demands for information on all persons in the news.

The major application of computer in the general news field has been the so-called 'message-switching' centres introduced in the 'seventies, which greatly speed up the process of selecting different news items for different major news markets, while reducing the amount of editing and repunching that is necessary. The system, known as ADX in Reuters, was introduced in 1969. As it happened,

the organization's own data-processing department did not advise on the ADX system. Its own time and energies were consumed with the expansion of RES; and feelings between RES and General News executives were not at their best. In fact economic news services possibly benefit more from the facilities that the ADX makes possible for direct transmission of news from point of origin to client location than the general news service. The 114 computers which were added to the RES system in 1973 were designed mainly to increase the number of quotations available on Stockmaster and Videomaster. However, the development of international information storage and retrieval facilities, to allow bureaux and clients to select news for themselves from central computers may be the biggest computer development of the late '70's and '80's.

Even after the re-organization of 1974, data-processing spends 90% of its energies in the economic service field. Together with other developmental activities, data-processing accounts for about 30% of the Technical Department's budget. The North American division has its own developmental strategy: this is a subsidiary company called Information Distribution and Retrieval (IDR), which was responsible for the technical development of the Reuters' Monitor. IDR is funded from London, and its decisions can be vetoed by London's Technical Department.

Growth of technical development may be expected to inspire more internally-generated innovations for the future:- even for the agency's own teleprinters. A new teleprinter

model installed by Reuter in the 'seventies was the Extel (US) printer, which Reuters distributed outside the United States for a while. (The distribution venture was not successful, possibly because there was no exclusivity clause.)

The United States agencies have expended much of their own development effort in photography, but not so much in general news services. One reason is the greater availability of computer development consultants and manufacturers in the United States. But another reason is that the United States agencies are not so heavily involved in the U.S. non-media market. In the development of Video terminal editing systems (VDT), which allow for direct editing by journalists onto computer tape with the aid of TV screens, AP and UPI went to outside consultants, whereas Reuters developed its own system. With News-View, the CATV news system, AP and UPI started by pointing a camera at their respective teleprinters, whereas Reuters developed an electronic video system, in which words were fed onto the screen directly. In all probability the U.S. agencies will increase their own developmental contribution in the future.

Future Competition

This close technical identification of Reuters with the very economic soul of western capitalism is what makes possible the continued survival of a non-government, surplus-producing and non-American agency. Such is the dominant orthodoxy

and it would be difficult to refute it. How secure an economic base is this? The system is vulnerable to severe and continued depression, although there are certain services for which there is great demand at least in the initial stages of a depression - while there is both extreme volatility of markets and available investment funds. It may be that Reuters, being first in the global economic field, has yet to face the competition that being first can sometimes generate. AP-Dow Jones is so far nearest to being an international competitor, but in most areas of the world has not caused Reuters too much concern. In some local markets however, there may be revenue to lose. For instance in 1969 the London Stock Exchange implemented its own service to compete with Stockmaster, for City brokers and jobbers, based on a TV display system with 20 channels; another and cheaper service was SCAN. There is the further danger that Reuters has identified too much with the non-media market. This not only opens the field to AP-Dow Jones which has economic services specially designed for newspapers, but opens Reuters to the criticism that it is not providing a service of sufficient background and depth, and is therefore failing in one of its informational functions But it is clear for the moment that Reuters does not regard itself as being in the business of investigative or explanatory reporting, either in economics or in general news.

(ii) <u>Economic News Services of the American Agencies</u>

<u>AP-Dow Jones</u>

Reuters principal international competitor in the field of

economic news is AP-Dow Jones. In the strange patterns of competitors' alliances so common in the agency world, it is no surprise to find that whereas AP and Dow Jones compete with one another in the United States, they jointly operate the amalgam AP-DJ overseas.

First news agency to cover Wall Street was Kiernan's agency. Two Kiernan employees, Charles H. Dow and Edward D. Jones set up their own agency in competition in 1882, called Dow, Jones and Co. This company gave birth in 1889 to a newspaper, as the convenient outgrowth of what had previously been a bulletin service. The newspaper was entitled, simply, the Wall Street Journal. But the demand for instantaneous news was such that in addition to the newspaper, Dow and Jones also established the 'ticker' service. The service was confined to New York City till the 'twenties, when it was introduced for the first time to Chicago, St. Louis, Detroit, Boston, Washington, Richmond, San Francisco and Los Angeles. The agency penetrated Canada in 1937.

At first, the paper and the ticker confined themselves to routine, hard financial news. But in the depression of the 'thirties there was not too much of this about, and what there was was gloomy. So instead of slipping into the routine of a trade magazine for a shrinking market, the company moved into general business news. To promote this new policy the president of Dow Jones, Hogate by name, brought the chief of the Washington bureau into New York as the paper's managing editor. This was William H. Grimes,

who had been a reporter for UP, and who later became Wall Street Journal editor, a post he held till 1958.

Dow Jones today has more than 2,500 employees with news bureaux in most major cities of the United States, as well as Canada and some in Western Europe and Asia. The United States news service operates on weekdays, and is operated by staff of the Wall Street Journal.

The same year that Reuters withdrew from the earlier news exchange arrangement between itself and Dow Jones (1967), Dow Jones and AP set up a joint news operation overseas for gathering and distributing economic news. The operation for newspapers is called the AP-DJ Report, running six days a week, 24 hours a day. News is gathered by staff appointed by AP and Dow Jones, transmitted to the New York headquarters, where it is edited by Dow Jones staff, and then distributed to Europe, Asia, South Africa and South America. There are two basic services: the Financial Report and the Economic Report. Whereas the Economic Report is designed primarily for newspapers, the Financial Wire goes mainly to overseas brokers and bankers. This operates 21 hours a day. AP handles the marketing of these services overseas. A third service, the Petroleum News Service, is a specialized news spin-off serving the oil and petrochemical industries. In 1971, AP-DJ claimed to be distributed in twenty-two countries, serving banks, brokers, government offices, newspapers, industrial groups and hotels.

The technological infrastructure for AP-Dow Jones was indirectly established in 1964 when Dow Jones began the computerization of its news-communication system. This was the very same year, significantly, that the Reuters-Ultronic deal came into operation, and in the period 1963-4 both AP and UPI embarked on computerized commercial-financial services for the domestic U.S. market.

Although AP and Dow Jones competed on the home market front (with Dow Jones very much in the lead for non-media clients of financial wire services), a partnership in overseas operations seemed a sound adventure. AP had a well-established international communications and news-gathering system, which was especially geared to the needs of the domestic U.S. market. It had the general news service which would feed neatly into a broad economic service for overseas newspapers; while at the same time its name and its interests, like those of Dow Jones, would especially recommend themselves to American banks, brokers and multinational corporation operating outside the United States. It was also a relatively cheap way of expanding both the Dow Jones and the Wall Street Journal's overseas coverage. Before the formation of AP-DJ, the Dow Jones company had about 4 full-time correspondents in Europe and 2 in the Far East; AP-DJ maintains around 22 overseas full-time correspondents.

AP-DJ was a very suitable combination in another sense. Both AP and Dow Jones had reason to be worried about the

likelihood of greater Reuters activity on the U.S. market, and both would have liked to see a reduction in the strength of RES overseas. DJ had earlier considered the possibility of co-operation rather than competition, when it approached Reuters with a suggestion of a scheme similar to the one which eventually emerged with AP. But Reuters had probably less to gain than AP, especially in the field of economic services.

In competing with Reuters, as we have seen, AP-DJ did not go altogether for the same market. It began with the non-media market, but then gave some attention to the media market for economic services, which Reuters had rather forsaken in favour of the more lucrative non-media market. But it did not adopt Reuters' hardware (in video-interrogation systems), keeping to teleprinter services in its initial years.

For AP, the AP-DJ deal was attractive because it offered a lucrative opportunity of exploiting the greatly increased communications capacity allowed by developments in telephonic cable technology. It was also a means of furthering sales, of spreading the name and prestige of AP, and thus helping in the competitive fight with UP and Reuters. It fitted into current thinking about the correct competitive strategy in the general press fight against television, namely, the development of specialized fields. And it was another response to the problem of relatively saturated newspaper markets.

AP-DJ is a two-headed structure. AP's responsibilities lie mainly with technical problems, communications and sales, and these functions were initially located in London. They still are, but in recent years London has also taken more responsibility for new-gathering and editing functions. Problems of cable breaks, and the desirability of handing some of the editing over to those in close proximity to European markets, led to a sharing of editorial responsibilities between New York and London. London takes over from New York eight hours a day while the London Stock Exchange is in operation. In London AP-DJ functions are run by staff recruited either from AP or Dow Jones, or from outside on the basis of expertise. In New York all the editing is done by Dow Jones personnel.

London is AP's principal overseas bureau, and AP-DJ's London office is located in the same building. The top AP man appointed to the AP-DJ operation was Conrad Fink. Fink had been AP's New Delhi bureau chief; three years after his AP-DJ appointment he was promoted to assistant general manager of AP in charge of sales. The top Dow Jones man appointed in New York at the time of Fink's London promotion was Ray Shaw, who later became assistant general manager of Dow Jones. These appointments were possibly indicative of the growing importance of AP-DJ in the eyes of its parent organizations.

The venture was initially conceived as a simple desk-bound function, which would involve no independent AP-DJ staff

as such, consisting only of putting together material on the wires of AP and Dow Jones. At the beginning the intention was to follow Reuters and pursue only the non-media market. The Economic Wire for newspapers was introduced two years after the financial wire, partly in recognition of Reuters' main weakness in this area, also because competition in the overseas non-media market was not going so well - Reuters was very well-established in this field. The Economic Wire is not entirely different from the financial, simply made up of additions to, and elaborations of, the financial wire. Like RES, AP-DJ often distributes its services through national or other agencies, although both kinds of sale, direct and indirect, exist.

It has been an uphill climb for AP-DJ in some areas. But performance was good in Japan. As early as 1967, AP-DJ signed up Kyodo as client. Kyodo at this time was expanding further into the economic news field in competition with Japan's second agency Jiji, which had always specialized in economic coverage. Kyodo's usage of AP-DJ reports from certain major financial centres was often much higher than its usage of Reuters or AP general news reports.

By 1972, the revenue from Japan about equalled the revenue from the whole of Europe. In Europe, AP-DJ confronted the same kinds of problem as RES faced in the United States - entering a very well-established market. But the problems

in Europe may have been even more severe, since American organizations are rumoured to be more open to new services than European. In the largest European market of all, West Germany, AP-DJ set up a teleprinter distribution system through a leading German financial paper, Handelsblatt, to compete with VWD (partly owned by Reuters). It offered six possible teleprinter services on the financial side: management, investment, money, general industrial, chemical and energy, but VWD had a choice of 22 teleprinter services and already sold to 550 clients. AP-DJ, which had initially sought a deal with VWD, had only 12 clients after its first year of operation in West Germany with Handelsblatt, and reckoned some 250-300 were needed to start making a profit.

In other world regions AP-DJ's penetration has not been spectacular. Its economic wire for newspapers is not dissimilar in market behaviour to the New York Times News Service. Much of AP-DJ's content is American in origin - coming from or through the Wall Street Journal. It is basically prepared in New York, with a heavy concentration on American affairs, and it distributes the service relatively unchanged around the world; making no allowance therefore for different market needs. In the Far East only the Economic Service is sold, not the Financial. The Economic Service in fact may have been introduced with Japan's Kyodo agency especially in mind. So far as the financial services were concerned there was the problem that RES was already there, and the fact that the volume

of interest in the Far East for western stocks is limited and also difficult for real-time reasons, since the New York exchange closes at about the time the Japanese opens. Reuters Stockmaster tends to concentrate, for these reasons. on regional stock exchanges. AP-DJ went to Japan, Australia, Korea and Taiwan. Elsewhere, RES remained in control of the market.

Unlike RES, AP-DJ does not specialize or regionalize its service to a great extent. The agency does not have the same facilities, nor does it want to put up the necessary outlay (upto mid-70's). One initial advantage behind its establishment was the fact that it could be put together largely from existing services - those of AP and Dow Jones. The increase of staff in Europe in recent years, however, indicates some concession to the needs of the European client, or simply recognition perhaps of the importance of European news for Japan. Total reportorial staff in Europe by 1972 was six in London and eight on the continent. In the early 'seventies, AP-DJ claimed good sales on the basis of its reportage of the money markets, and its news-gathering strength in coverage of North American affairs. This competition may have inspired the introduction by Reuters of the Reuters Money Report and Monitor.

Reuters' main advantage was its superiority in hardware. The 1964 Ultronics deal gave it the right to distribute Ultronics market interrogation services. Reuters could sustain its own technological infrastructure in the United

States, while maintaining the right to distribute Ultronics, Stockmaster and Videomaster in the rest of the world. Using this sophisticated hardware allowed Reuters to offer services of far greater specialization for certain market or individual requirements, not only in the area of stock exchange quotations, commodity prices and similar information, but even in market research and management consultancy material, which would normally take considerable preparation for distribution. AP-DJ had no desire to enter this area. The amount of investment required was a principal deterrent. It was also reluctant to involve itself with equipment that might quickly be outmoded. A technical lag can sometimes be more serious than an editorial lag, and much more difficult to eliminate. Something of this kind happened to Reuters over the Ultronics deal, according to AP-DJ sources. But Reuters had built up a very strong technical service and development department of its own and was eventually able to fend for itself and negotiate with its suppliers on equal terms in respect of hardware development.

AP-DJ concentrated on improvements of teleprinter service. One of Ultronic's competitors, Bunker-Reremo, supplied AP-DJ hardware, and in 1972 was looking for international markets. AP-DJ considered the possibility of 'quota' reports, made possible by selector devices which had suddenly become cheaper and more reliable than they had ever been. These made it possible to instruct a printer in a client's office to shut off during transmission of

information which was of no interest to the client. In other words, it allowed for greater service specialization on the normal teleprinter network. AP-DJ first applied the principle on the petroleum wire, and intended to extend it to other services.

In hardware for economic services, as in news systems for CATV, Reuters moved into the market with the latest technological backing, while American agencies used a less advanced technology. In both cases the American agencies subsequently introduced technological improvements of their own. It is possible therefore that the originality of Reuters' first moves on the North American market is a short-lived phenomenon.

Early in 1974, the International Marketing Services Division (IMS) of Dow Jones and Co. Inc., started to sign up prestigious business and financial newspapers from abroad, for management of their advertising sales and promotion activities. After two months it had signed up seven different foreign publications, and announced agreements with two more: the Australian Financial Review in Sydney and the Het Financieele Dagblad in Amsterdam. The ultimate aim was a network of business publications that could offer access to space to advertisers in any country. The IMS office would provide demographic, circulation and rate information, and place ads for any client looking for overseas advertising holes, and eventually the information would be stored in a computer bank for easy access.

Existing offices of the operation in 1974 were New York, Los Angeles, Frankfurt and London. These offices stand separately from the advertising and editorial bases for the Company's Wall Street Journal.

This development was perceived internally by Dow Jones as an extension of the principle of providing news services to business clients through the AP-DJ wire. Like the ticker service, the IMS seemed to be concentrating on the Japanese market, where it had signed up the national business daily, Nihon Keizei Shimbun, and three sister publications. Other publications involved in the scheme were Italy's 11 Sole/24 and its affiliated business/political magazine Mondo Economic, and Asia's business newsweekly the Far Eastern Economic Review.

The Dow Jones ticker's involvement with a larger media organization therefore, and AP's involvement through AP-DJ, raises the problem of news agency association with advertising ventures, which RES, despite its extensive business market, has largely managed to avoid. But senior Reuters sources in 1975 reported that clients paid for inclusion of their information on the Monitor service.

AP and UPI: Economic Services for the United States

Within the United States, of course, Dow Jones is in competition with AP. Most daily newspapers which subscribe to economic services take AP or UPI. The business market goes mostly to Dow Jones, Commodity

News Service and now Reuters. Dow Jones sold to 33 of the larger newspapers in 1973, about the same number of newspaper clients that Reuters had for general news services.

Financial and economic services for newspapers have inspired some of the most important advances in wire service transmission in the United States. Financial news, largely a collection of figures, is susceptible to highly routine procedures and automatic handling.

AP's financial operation for the domestic U.S. market involves some 40 staff, who produce three different kinds of service: business or 'creative' news, computer tabulation or market tables, manual tabulation of dividends and earnings information. Computer tabulation of market tables began in 1962 with the introduction of the first IBM 1620 computer. All functions before then were manual. An updated system introduced in 1966 with the installation of IBM 360-40's eliminated human intervention altogether. A further improvement in 1973 increased the speed of data computation by about four times, with the help of the first IBM 370-145, and enabled AP to read electronically all commodity and security exchanges in North America.

Major computer operations were first introduced to the financial news sections therefore several years before they were applied to general news (in the early 'seventies), and this was true of all the agencies. UPI's financial

news operations are rather more wedded to general news than AP's. There are two major on-line computer systems employing three Univca Spectra 70's: one system for news (general and financial), one for stock tables and other data tabulations, and the third system is a 'shadow' backup for the first two. (AP did not install a shadow when it first computerized, and there were many severe complaints during the initial inevitable breakdowns.) Like AP, UPI employs around 40 persons for its financial news production. Reuters, which of course had a sizeable non-media market in the United States for business services, started a financial service for newspapers only in December 1973 with 'Business Beat', but this did not include market tabulations.

The American agencies concentrate on general financial information, the kind likely to interest a wide range of public interest, but without treating single stocks or commodities in depth. Within this general field there has been a certain sophistication of data. AP introduced an expanded system for afternoon papers in 1974 on its special dataspeed circuit for users of narrow measure market tables. One of the two new tables gives last sale prices and price/earnings ratios in approximately two thirds of a standard column, and another combines current last sale prices with previous closing prices of issues which have not yet traded during the current market day. This enables a newspaper to provide readers with prices of all securities, even in the early editions.

Problems arose in September 1974 when the New York Stock Exchange voted to extend its trading hours by 30 minutes. This meant that many newspapers would not be able to carry closing prices in time for their final editions, and some newspapers even considered dropping their coverage of stocks altogether.

Recent innovations in UPI's Unistox service included a price indicator that reflects average daily change of all 1600 or so stocks on the NYSE; a high-speed financial tabular service called Unistox Data Two which provides afternoon editions with a series of pre-closing and at-the-close NYSE stock and bond tables sent in eight pica measures to include common stock price-earnings ratios.

Services of this kind go primarily to newspapers, and primarily to domestic clients, although Unistox does also sell to some overseas clients, including the International Herald Tribune and the Rome Daily American. UPI had no substantial economic service operation for overseas markets until 1976 when it combined with Commodity News Service for this purpose. In one or two countries where there was a very high demand for such services, these were locally produced, as in Japan. On the domestic U.S. market the scope for major sales in the non-media market is limited by the nature of American agency conception of financial news, and the strength of the competition - namely, Dow Jones and Reuters. APME's Business News Committee in 1972 found that businessmen did not rate AP's business

coverage highly by comparison with the Dow Jones ticker, but that they did tend to rate it higher than UPI's. AP tends to concentrate as we have seen on general market requirements. Even here the number of newspapers using AP's services are limited. Well over half a small sample of 23 papers contacted by the committee said they did not use AP graphics charts issued for weekend stock pages. Nine out of nineteen other papers contacted by a committee member expressed dissatisfaction with AP's business coverage.[6]

Economic services do not have the same significance for the major American news agencies as they do for Reuters. For Reuters, economic news sales to non-media clients are what keep the company afloat at a time when media organizations around the world face difficult problems of survival. Not only do the American agencies have the benefit of a wealthy domestic market, but they have also exploited other media channels - in particular, news-photo - which the European agencies do not have or have ignored.

(iii) Advertising and L'Agence Havas

Of the four major western agencies, the two most dependent on non-media markets are the European: Reuters and AFP, which depend largely on revenue from the commercial and state sectors respectively. But AFP's predecessor, Havas, depended not so much on State revenue (although this was important in its overseas operations), but on revenue received through the placement of advertising material in

the pages of its client newspapers, and similar activities. The problems these activities raised concerning the impartiality of the agency's news service, not to mention its power of direct influence on the structure and control of many of France's leading newspapers, elicited strong criticism and suspicion well before World War Two. The independence which the founders of AFP sought after the War was as much or more an independence from the consequences of a Havas-type operation as from Government control. In the event AFP achieved the first kind of independence, but not the second, although the consequences of its ties with the government are difficult to assess. The advertising operation of Havas is therefore of some importance in coming to an understanding of the contemporary AFP, but of rather greater significance is the lesson it teaches about what can happen when a news agency departs too far from its primary media function.

Havas bureau was established in 1832, but not until 1857 did the agency make its first venture into advertising, by selling news and announcements of Government departments to newspapers. At this time the agency had 200 clients in the Provinces, in addition to its Parisien clientele, and was therefore a useful channel of communication for the government. The idea was extended to the exchange of news in return for advertising space. Havas linked up other agencies which specialized in the publicity of certain 'maisons de commerce', and at the same time as he entered into agreements with other international news agencies, he

also established liaisons with overseas advertising agencies - 'toutes les grandes maisons de publicite a travers le monde'.[7] The idea was extended to provincial newspapers in 1860, and the agency came to act as their advertising representative, soliciting advertisements and preparing advertising copy.

In 1865 this side of the business was formally recognised with the establishment of the Société Générale des Annonces. Under the new arrangement, the Havas brothers became members of an eight-member associated editor-and-manager team. The company was the property of Havas, and one of the team, Jacques-Edouard Lebey, had a son who was later to become director of Agence Havas. The Havas brothers preferred the informational to the advertising functions, and delegated much of the latter to others. In 1879 the Société was completely absorbed by Havas, the same year that Lebey became president of the agency. Lebey actually tried to have some newspaper directors allowed on the Board, but was surprised at the general resistance to this idea, which was supported on the ground that a newspaper director would have privileged access to information by comparison with other clients. This was probably a genuinely held argument, one that Reuters upheld in a rather different way with regard to his business clients. But also the board probably feared that the presence of newspapers would endanger the political neutrality of the agency in times, then frequent, of antagonism between press and Government.

Why advertising, and not economics as in the case of Reuters? Economics reporting in fact was important for Havas too from the earliest days. One of its first concerns was to establish services for the rapid transmission of financial and market information from the Stock Exchanges of Paris, London, Berlin, Vienna and Frankfurt to Lyon, where the agency distributed this information to lending houses, banks, money changers and speculators. Havas provided financial news services to the like of La Banque de Lyon et de la Loire, Le Credit Génèral Francais, La Societe Génèrale Francaise, and Le Credit Provincial. Banks received such services before newspapers.

In fact, economic and advertising activities were closely linked. Newspapers were more likely to want to subscribe to a service that contained good economic coverage. Moreover, financial institutions and other companies, which before had paid for the occasional mention in a local paper, were very willing to pay for a mention in any agency dispatch that went to several papers.

> "Newspapers will subscribe if it's well composed and contains not only local news but also the commercial, industrial and financial news of your town.... This last word perhaps contains possibilities for a future source of income.... You know what some companies pay a newspaper for the occasional and very discreet discussion of their affairs. How much more they would spend on a sheet to be reproduced in twenty or more newspapers! The four or five Lyonnais credit institutions could devote to this what at present they spend less usefully on other things. Think this over and keep your eyes open."[8]

In effect, Havas sold the advertising space of his client

newspapers to advertisers, who were often finance institutions, only this space was not always clearly labelled 'advertising' ! Havas acted as a broker for any bank or credit institution that wished to control reports in newspapers they were unfortunate enough not to own. The cost of these financial services varied considerably from town to town, depending on the importance of the paper and its public. They could cost anything from 100 to 10,000 francs and above. Sometimes the agency would pay more attention to the needs of non-media clients for such services than the newspapers:

> "While not inattentive to the needs of the papers, its (Havas) primary concern was to distribute its news, and in the provinces, where the papers were more dependent on it, if the papers failed to prove interesting clients the Agency felt no compunction in offering its wares to clients whose possession of the news might harm the papers. This was especially true of news which, while the journaux de depeches' were eager to include it, was of value to a specific interest in the population, be it financial and commercial news or share-prices on the official and unofficial Paris Stock Exchange. In these instances, services of such news were transmitted to 'negociants', 'speculateurs', 'les agents de change', banks and 'societes de credit', either direct or through various intermediaries of which papers were but one among several - cafes, cercles, banks, etc. The cloth and silk interests of the Lyonnais area on the one hand, the speculative activity on the Lyonnais stock exchange on the other, meant that 'L'Agence' could find markets here that repaid its investments elsewhere; such news was as important to these new markets as that relating to grain prices and agricultural goods was to a more traditional clientele, the communication of which figures large in the priorities of the papers in rural districts."[9]

By selling advertising space to its newspaper clients, Havas was able to contain the extent to which the cost of communications was charged to its provincial clients. The news operation therefore became relatively cheaper, even

if adulterated through its association with the financial news system, and in this respect suited the clients. Havas was a profit-oriented enterprise, not a co-operative service like the Press Association. It increased the competition between provincial papers as well as that between Parisien and provincial press. It could play one off against another and in short, had tremendous influence. Newspapers were individually weak by comparison; Havas was no servant of the press like the PA; it was boss. It was not guided by service considerations: complaints about business practice would have had no effect here.

In all, Havas engaged in three major kinds of advertising activity: 1. Publicité commerciale - advertising as normally understood;

2. Publicité d'influence - the kind of government propaganda put out to papers to prepare the public for future decision; and

3. Publicité financière - which consisted of creating a favourable atmosphere for the floating of security issues or loans.

These activities naturally gave rise to a problem of credibility. Havas for instance was one of many French publications in receipt of bribes from the Russian government before the First World War. The story was recorded by Lewis Gannett in 1924.[10] The Czar's government systematically bribed the French press from 1904 until the Soviet Revolution. This was the period during which the Franco-

Russian alliance developed. The Czar's interest was to keep the Paris press quiet on the subject of the strangling of Finland by Russia and the purchase of Czarist bond issues with fifteen billion French francs. More than a score of Parisien daily newspapers were on the Czar's payroll. A French journalist and Czarist agent, Arthur Raffalovich, was consulted on the desirable methods for corrupting the French press. In his report of 1905, Raffalovich wrote:

> "The internal events in Russia, the disturbance, mutinies, and massacres created a very uneasy state of mind among the owners of our securities in France, and it appeared that if the press was left to itself it would not fail to upset the public still more."

Of 50,000 francs put at the disposition of this agent by the Banque de Paris, 10,000 went to Havas, 7,000 to Hebrard of the Temps, 4,000 to the Journal. Rafflovich continued:

> "In our difficult circumstances the support of the majority of the press is - unfortunately indispensable to us until the loan is put through. The papers have become greedier as the loan becomes more distant, and one may judge what they would say if given rein by the tone of a few papers which have remained outside the arrangement.... We must continue to pay 100,000 francs for three months, and look forward to paying Havas 10,000 francs for an even longer period.... The cancelled cheques are in the hands of the Ministry of Finance."[12]

The subsidies continued, at a lesser rate of reward, for several years. Le Temps, which was a mouthpiece of the French government and not controlled by Havas, was the greatest beneficiary.

Important as the advertising operations were to Havas,

Frederix, the agency's historian, declares it a myth to say that Havas depended on these absolutely. Between 1879 and 1918, the telegraphic business always made a profit, whereas the advertisement branch made a loss on five occasions in this period; for the period as a whole, the telegraphic operations made two and a half times as much money as the advertisement branch, accounting for 70% of the organization's total receipts. One reason for this relatively poor performance of advertising was that advertising was not as widespread an activity then as it is today. Secondly, the exchange agreements between the international agencies cut down on news-gathering expenses considerably so that profits in this sphere were not too difficult to obtain by comparison, and finally, government departments and publicity agents, anxious as they were for promotion, were perhaps not that keen to push material via Havas if papers did not in fact use it.

If advertising did not bring about direct profits, it did bring about press control by Havas. In other words, the commodity offered by Havas (advertisers) and the commodity it controlled, (advertising), put it in a very strong relationship indeed with individual newspapers. In 1880 for instance, Havas negotiated for the advertising columns of the most prosperous of all provincial newspapers, Le Petit Marseillais. It considered paying either a flat 200,000 francs for control of all advertising copy, or acquiring control of extra-local advertising, taking a commission of 25% on the total revenue from advertising

copy furnished by Havas. In 1878, the advertising columns of this paper were considered to be worth at least 20,000 francs, and in 1880 its advertising columns were leased out for 125,000 francs a year.

While leasing out control of their financial publicity popular dailies generally retained control of their commercial advertising. Between 1901 and 1914, the four Parisien giants rallied to plans to group their services of both kinds of advertising in one conglomerate. It was led by Leon Renier, a co-managing director of Havas, and established as Le Syndicat Central de Publicité in January 1914. Havas had great influence therefore on the larger-circulation Paris newspapers, while controlling the non-local advertising copy of many provincial papers.

After the First World War, the giants felt threatened by the provincial press - provincial newspapers had lower distribution, labour and production costs, and operated in what were often monopoly conditions. Provincial papers consumed a lot of international news, which Havas provided, and were more dependent on the agency for this commodity than the Parisien papers. Thus, at a time of growing conflict between Parisien and provincial press, Havas managed to maintain extensive interests in both parties. But it did not want to see the balance change. When the Petit Parisien, largest of the Paris popular dailies, tried to compete with the larger provincial regional dailies by setting up its own regional editions, acquiring interests

in provincials and even setting up its own paper in Rennes, it was faced with effective hostility from both Hachette, the French equivalent of W. H. Smith, and Havas. When the wealthy perfumer, Francois Coty, set up 'L'Ami Du Peuple' in 1927 at a price of 10 centimes which undercut the other Paris dailies, Havas refused to deal with its publicity and Hachette refused to distribute the paper. And when Coty went bankrupt, Havas bought up the paper at $3\frac{1}{4}$ million francs, and raised copy price to 25 centimes.

All the giants were eventually forced back towards the regions north of the Loire. Havas had gambled correctly, since the old giants were to lose out to a new brand of popular journalism in the 'thirties, while the regional dailies moved from strength to strength. Total Parisien print oscillated around $5\frac{1}{2}$ million between 1914 and 1939, while that of regional dailies moved up from 4 to $6\frac{1}{2}$ million. As long-established Paris dailies died, regional papers were thriving.

It is the post-World War One period therefore in which the advertising operations of Havas came into their own unmistakably, to acquire for the agency both profit and discredit. As a result of the Syndicat agreement accomplished by Leon Renier, Havas now had the right to sell the advertising space of Paris' five largest newspapers throughout the world. Advertising revenues grew considerably, starting well after World War One when Havas took over the Lagrange agency in 1920. But simultaneously the news section

suffered, and between 1919 and 1922 accumulated a huge deficit, even though in 1923 total revenue for all Havas operations was nearly double that of 1913, at about 10 million francs. While advertising revenues soared, the news section accepted undertakings from the Quai d'Orsay to underwrite Havas losses in unprofitable markets, most noticeably in South America. At home, advertising operations stimulated the growth of a provincial network of Havas offices. Daily newspaper subscribers received their services by teletype from Paris. Merchants and bankers were served with news packages put together by local offices.

The twenties were lucrative years. In 1929 even the news side covered its expenses, and the advertising branch had never done so well. But advertising revenue slumped 30% in 1930, at the beginning of the Depression. French press revenue of course declined; subscriptions of allied agencies shrank or ceased altogether, dangerously undermining the secure base of cheap news supply which both Havas and Reuters had exploited through the cartel, and which at one time had produced 2 million francs a year. The Turkish news agency for instance in 1933 was in debt to the tune of 400,000 francs. And in South America, the American agencies were stealing AFP clients. In 1931, Havas was persuaded by Briand, with none too great a reluctance it seems, to have the Department of Foreign Affairs reimbuse the agency up to as much as 800,000 francs each month for expenses incurred in the agency's reinforcement of its bureaux and foreign services in Europe,

America and Asia. The Foreign Office budget for 1932 stated that 'the effort of the department was concentrated on the reorganization of the foreign service of our news agencies, principally the Agence Havas'. Even so, the agency's end-of-year deficit by 1934 was 800,000 francs. Staff were requested that year to accept lower salaries, and end-of-year gratuities were suspended. The French government meanwhile, like the British, was alarmed by the propaganda services of other governments, and determined not to lose out in this (relatively) comfortable form of warfare. Never before had the agency fallen in so completely with government objectives. Advertising revenue continued to slide; news service revenues by 1938 were no longer received from the agencies of the United States, Germany or Russia and were shortly to cease coming from Italy. Debts owed by the agencies of Turkey, Greece, Poland and the Balkan countries simply mounted. Meanwhile news costs were soaring with the acceleration of international crisis. The Ethiopian War for instance had cost the agency one million francs in costs of coverage even though it co-operated with Reuters in providing a common news service on the war for clients in Europe.

Yet the depression, by increasing the dependence of 2000 newspaper clients on the agency for news and advertisers, simply increased its control over the French press. This was food for left-wing social criticism of those years: the New York correspondent of Le Petit Parisien in this period was quoted as saying:-

> "Most of the commercial advertising is handled by Havas. To alienate Havas may mean for a newspaper the loss of practically all its advertising revenue. This power of one advertising agency is of tremendous importance for the press and the public, for it is known that in several cases advertising patrons have objected to editorial policies and interfered directly or indirectly with them, stopped campaigns and tabooed topics."[13]

Pierre Lazareff, editor of Le Petit Parisien, wrote that

> "through its grip on the distribution of news and advertising, the Havas agency was able to exert control over the biggest newspapers in France".[14]

And Al Laney, writing a short time later in 1947, said that the news supplied by Havas

> "was often, if not always, bent to fit its enormous volume of advertising. It enjoyed a practical monopoly and it could and did control news anywhere in France".

Lazareff, again, stated

> "De tous les poisons qui debiliterent l'opinion publique francaise, l'agence Havas fut un des plus dangereux."[16]

There was no strong chain to combat Havas. The only 'chain' as such was the 'Presse Regionale' in Paris, founded by industrialists of Northern France, which controlled 11 papers (dailies) in the provinces and other publications and was Catholic-right.[17] Havas influence was enormous:

> "Leon Renier, chairman of the Board of Directors of the Agence Havas, the largest news dissemination organization of the country, influences at the same time the leading French advertising agency, the Agence Nationale de Publicité, and the giant enterprise Messageries Hachette, which is the place of disposal for the entire periodical press and the greatest part of the book publications."[18]

In brief, it was said Havas had a monopoly on information-exchange in France, a monopoly on press advertising, and

that its involvement in advertising influenced the character of her news output. Frédèrix tends to deflate many of these criticisms.[19] He says that it was inevitable that Havas should be a very powerful distributor of domestic news throughout France, since the press could not afford to support as powerful an agency to compete against it. Individual agencies could, and did, have their own agreements with foreign agencies for foreign news. Havas did not, he says, have a monopoly over press advertising. It controlled directly or indirectly the publicity for the Journal, le Matin, L'Echo, and the Petit Journal in Paris. But it did not have Le Petit Parisien, Paris-Soire, L'Intravisigeant, Le Figaro, Le Temps, L'Oeuvre, L'Excelsior, La Liberte, Populaire or L'Humanite. In the provinces it did not control many of the biggest and most important newspapers, such as Le Phase de Nantes, France de Bordeaux, Progres de Lyon, Depeche de Toulhouse, L'Est Republicain, L'Echo du Nord, etc. As for radio, Havas had control of Radio Luxembourg, (majority shareholder), and of the Poste Parisien, but it did not control the business of six other French stations. A campaign to strip Havas of its publicity business was dropped. So too was another proposal that Havas should be nationalized. However, the Popular Front Government did pass a press law which included a requirement that all newspapers publish their finances, and name their principal share-holders. It also required the resignation of Pierre Guimier, director-general of Le Journal, appointed to that post by Havas from his position of director of publicity. Leon Blum accused Guimier of organizing a

concerted press attack against him and his government in 1936, and of hurting the Leftist press. The alleged press attack had involved some 300 newspapers. When Blum's accusation was backed up with a threat to separate the agency's news from its business operations, Guimier resigned. Rumours of a pending divorce between these two sides of the business persisted afterwards.

Havas continued in its accustomed position of strength therefore until the Second World War. In 1939 it was estimated that Havas controlled 80 to 90% of all advertising appearing in French newspapers.[20] In 1949, the five largest Parisien papers were controlled by Havas, of which one was Le Petit Parisien, which before had been relatively independent.

The Germans accomplished what the Left had urged for years: separation of advertising from news. The advertising was taken over by German interests until after the War when the French government acquired it, and which remains 'Havas' while the news operation, AFP, is today independent - in the sense described in Chapter One. Subsequently AFP has taken the bulk of its annual revenue from government organizations as we have seen, therefore continuing one Havas tradition at least: that of dependence on non-media clients for its economic survival.

AFP has not succeeded in creating for itself an alternative revenue-base, like Reuters' non-media RES, or even the photo

operations of the American agencies within the media field. One reason for this may have been the reluctance of the agency's Board to put up the money or to agree to a search for the necessary capital. AFP's Board has traditionally taken a rather more active interest in the affairs of the agency than that of Reuters'; perhaps because while Reuters' owners sit on the board they are not its main source of revenue, whereas in the case of AFP's board not only are there representatives of AFP's major revenue-producing clients (State organizations), but these clients have no special interest in the economic independence of the agency.

AFP Economic Services

In May 1968, undaunted by the anti-capitalist spirit that raged in Paris at that time, AFP launched Le Service Economique par Telescripteur (SET). The service was a rationalization of previous financial and economic services, and was clearly inspired by Reuters' success in this field. By 1972 it reached more than 80 public and private organizations - banks, industries, media - in France, Belgium and Switzerland, and in that year the service was extended into the provinces, Strasbourg, Rennes and Lille. In addition to clients in Belgium and Switzerland, SET also went to several national news agencies, including TASS. Since that time a Common Market service for Brussels has been developed, and a four to five-hour transmission for Africa. SET European wordage amounts to some 20-25,000 a day (France: 35,000) while the EEC service is 10-12,000,

and average wordage for Africa is 10,000. Unfortunately for AFP's SET service, Reuters is well entrenched on the French market, through its arrangement with Agefi.

Summary

Throughout the history of the agencies, and especially in the case of the European agencies, non-media clients have represented a formidable source of revenue and point of departure for innovatory activity. These non-media clients have been mainly (i) commerce and finance institutions (ii) advertisers and agencies (iii) governments. The importance of the first of these groups is particularly evident in the case of Reuters, and is the basis of that agency's continued survival in the modern world. Each of the other agencies has finance and economic news services, but the largest of these is the joint AP-DJ operation, which with Reuters is the main source of international news of this kind. (In September 1976, UPI announced an arrangement with Commodity News Services for an international economic news service to start early in '77; first information indicated a similar structure to AP-DJ. The deal links UPI with the same organization that Reuters beat in competition on the domestic US market in commodity news in the early 'seventies.) The importance of government revenue is most noticeable today in the case of AFP. But the overseas clients of all the agencies are also often government clients, either indirectly, where a national news agency which is sole distributor of global agency

services is financed and/or controlled by its government, or directly where government organizations, embassies and consulates etc. represent a major portion of the total market in any given country. This situation tends to arise in many parts of the Third World, and especially in Africa. The American agencies stand apart from the European in the matter of non-media markets because the size of their domestic media market is sufficient to maintain them both and provides the bulk of their revenues.

1. This sentence reflects estimates variously given the author by Reuters sources: the actual contribution is not given in the Company Reports, and would be difficult to pinpoint precisely because of the degree to which capital resources are shared by the different divisions.

2. Fleetwood-May, Cecil: Reuters.....in the Days of Codes and Pirates; U.K. Press Gazette; September 13th, 1971.

3. Ibid.

4. Interview with Gerald Long. 3.11.73.

5. Reuters publicity description.

6. APME Red Book 1971.

7. Lazareffe, Pierre: Dernière Edition; Valiguetee; Montreal, 1942.

8. Letter from Havas director Emard to Lyons representative Gagniere, 1877-80; quoted in
Palmer, Michael: L'Information, les Agences, et la Presse en France, 1850-1945; forthcoming.

9. Palmer, Michael: Ibid.

10. Gannett, Lewis: The Secret Corruption of the French Press; The Nation; Vol.118, No. 3057.

11. Ibid.

12. Ibid.

13. Pierre Denoyer, quoted by
Desmond, Robert: The Press and World Affairs; p.57; D. Appleton-Century Co., N.Y. 1937.

14. quoted in:
Hohenberg, J.: Foreign Correspondence; Columbia University Press, N.Y.; 1964.

15. Hohenberg, J.: Ibid.

16. Lazareffe, Pierre: op. cit. p.90

17. Berktau, Fred: Tendencies Towards Financial Concentration in the International Newspaper Field; Journalism Quarterly; Vol.X, No. 2; June 1933.

18. Berktau, Fred: ibid, p.119.

19. Frédérix, Pierre: Un Siecle de Chasse aux Nouvelles de L'Agence d'Information Havas a l'Agence France-Presse; Flammarion, Paris 1959.

20. Weigle, Clifford: The Rise and Fall of the Havas News Agency; Journalism Quarterly; Vol.18, No. 2; June 1941.

CHAPTER SEVEN: Diversification of Media Markets

Agency diversification is of two principal kinds: non media and media. In the previous chapter the character of non media diversification for commercial, government and advertising clients was examined. In this chapter, media diversification of services within and beyond the traditional newspaper market is the topic for examination. This category involves both the introduction of significantly new kinds of service to newspapers, and services provided to media other than newspapers.

Non-media diversification gave rise to changes in agency technology; the same is true in different ways of media diversification. The traditional agency services were essentially teleprinter services. Information was conveyed to the client via cable, radio or satellite, and arrived in print form, on a roll of paper, at a steady speed of between sixty and one hundred words a minute. Services conveyed in this manner included most of the general news services for media and non-media clients and many of the economic news services.

The speed of transmission over teleprinter circuits has been greatly increased by datastream*, but requires a new kind of teleprinter. For many years datastream, which delivers at speeds of over one thousand words a minute, has been used mainly for table-information, including sports results and stock exchange quotations. It is now increasingly applied to general news services. In the United

*cf.note 5,p.958

States and in a few other affluent industrial societies, the mode of final delivery is increasingly via some form of computer-based television outlet with keyboard facilities for on-screen editing. But well before these recent innovations, there were other developments which took the agencies completely away from the teleprinter principle. The American agencies for example pioneered the widespread distribution of photographs for their newspaper clients. Wirephoto involves a distinct transmitting and reception technology. For their broadcast clients, the agencies also introduced voicecasts, and news-film services. It is mainly with these non-teleprinter technologies that this chapter deals. To complete the review of the total range of services and markets, it will look at some of the minor spin-offs of agency work which include publishing, espionage, and communications sub-leasing.

1. Wirephoto*

AP and UPI have diversified mainly within media markets. From very early days the newspaper market per se had been thought insufficient: "They seem to have reached the 'saturation point' in newspaper clients", said one observer as early as 1931.[1] The long-term trend in reduction of the number of United States dailies was well established by this time. The peak number of dailies was reached in 1917, at 2,514. This had fallen to around the 1,700 mark in the 1970's. Another important inspiration for intra-media expansion was the competitive relationship between the two agencies. In Europe, semi-monopoly domestic

*cf.note 6,p.958

markets may have inhibited this kind of expansionary drive, and perhaps explain why wirephoto or radiophoto for instance. was never adopted as a major activity by either Reuters or Havas/AFP.

There were still significant moves in the newspaper market even as expansion into others occurred, most important of which was perhaps the introduction and spread of the telegraph printer during the inter-war period, and the spread of leased lines across the continent. But the major technological development was wirephoto.

AP members initially rejected the agency's involvement in wirephoto. Many of the large-circulation papers had their own arrangements at this time, and did not want competition from AP. The smaller papers had to rely on commercial syndicates. But in 1926 the AP Board agreed to the establishment of a mail News Photo Service, sequel to a revamped and much improved general features service. These photos were usually delivered either by mail or air; on special occasions, telephoto was employed, a technique which produced only a fuzzy reproduction and could be used only for transmission to the few cities which had the necessary receiving equipment. In 1933, when AT+T abandoned telephoto, Bell laboratories announced an alternative. The major agencies were all approached, but only AP expressed interest. AP approached the larger papers first, many of whom were impressed by the Bell system because it promised a round-the-clock provision of good quality photos and at

a higher speed than any of their existing arrangements. Through AP they would receive photo service much cheaper than anything they could provide for themselves. Hearst and Scripps-Howard members objected however: Hearst wanted to maintain the competitive edge of his own papers which had photo services, and Scripps-Howard members naturally wanted to protect the Scripps-Howard agency, UP. Despite the vigorous opposition launched by these two groups, the AP Wirephoto system was successfully introduced in 1935, with 46 subscribers out of a total newspaper membership of 1,340.

Expansion of photo delivery before the Second World War was less than dramatic. Its main promoters at first were the larger and more influential members of AP, those most likely to be able to afford the greatly increased subscriptions involved. Distribution of photos overseas was limited, but in Britain UP did build up a photo service through BUP. The War itself was an important boost to wire photography, given the increased appetite for foreign news and for pictures to lend it dramatic immediacy. In two months of 1943, AP's wirephoto carried a total of 939 war pictures from abroad, a rate of around 15 a day. 40% of these came from a 30-man pool operation which AP shared with ACME, Life Magazine, International News Photos. The pool had the approval of the armed services and worked in co-operation with them.

Expansion in this area really belongs to the post-war era.

In 1957, AP's wirephoto clients still numbered only 523, less than half the domestic daily membership; UPI had 679 that year, almost half of whom were acquired in 1951 when UP took over the photo agency ACME. Between 1957 and 1963 however, UPI's total photo clientele expanded to 1,284. Mims Thomason, who was in charge of news-pictures from 1952 and who eventually retired as UPI chairman in 1974, was responsible for the development of UP radiophoto on a regularly scheduled basis to South America, Puerto Rico, Central America, Australia, Europe, the Philippines, Hawaii and Japan.

Much of the expansion of photo services has occurred only in very recent years. UPI's radiophoto for Japan for instance was not introduced until as late as 1963. In 1968, a beamcast service from Tokyo, aimed at South East Asia, was inaugurated to supplement transmissions from the United States. Newspicture circuits for land-line distribution were still in the process of introduction in Europe in the early 'sixties, and did not reach Austria, Spain or Hungary until 1963. A picture network was established in Portugal for the first time in 1968.

Much the same is true of AP, which introduced wirephoto for Russia and Poland in 1963 (which before had been served by long distance phone); the European wirephoto network reached Spain in 1966, the sixteenth country to be hooked up. Its U.S. wirephoto network was extended to Mexico in 1969, the same year as the European network was broadened

to include the Czech, Hungarian and Rumanian news agencies. A photocable to Johannesburg was leased in 1973. Many parts of the world, even today, receive their photographs by post. Communication costs and clients' inability to pay high subscription charges are major factors.

Newspictures have meant a major expansion of resources and activity for the agencies. Even one-correspondent bureaux of the American agencies overseas generally have an additional photographer-journalist, if not full-time then on a regular fee-paying basis. This new development has inevitably changed the whole pattern of press and agency resource distribution as one early commentator was quick to point out:-

> "Telephoto system will begin to operate before Fall 10,000 miles of leased wires in the United States. Because of its expense it will have a profound effect upon the fiscal structure of the daily press, diverting a considerable portion of expenditures from editorial employees to wire services."[2]

Major technological innovations in this field continue, and are witness to the great importance of news photgraphs for today's newspaper press, justifying heavy research and development expenditure. In early 1973, AP announced 'Laserphoto'. This uses laser beams to transmit photos by wire, delivers dry glossy prints, cut and stacked at the editor's desk. It was developed by an MIT Professor in conjunction with AP's research and development team, and introduced in response to the growth in off-set printing and the subsequent demand for better photo reproduction. The Laserphoto superseded two previous agency systems:

Photofax, based on an electrolytic reproduction method and employed by UPI, and Automatic Wirephoto, which AP introduced in 1966 and which is based on the 'stabilization' method. Photofax gives relatively poor definition and inadequate grey scales. Automatic Wirephoto is better than Photofax but more expensive. Laserphoto's advantage is speed: it is four times as fast, transmitting and reproducing in two minutes instead of eight. The new system uses digital lines on which streams of numbers, not levels of sound, translate the black and white tones of the picture. This avoids the necessity of using telephone lines, which are often crowded with traffic, distorting transmission and causing irregularities.

Installment of Laserphoto started in 1974 and was scheduled to cover the United States by the end of 1976. Integration of the system with the newly introduced cathode ray tube (CRT) editing system was a feature of its original design: editing on screen, in other words, in the same way as is now common for original print editorial matter in many American newspapers.

Distribution of photo innovations abroad has generally lagged behind their introduction in the United States, sometimes by many years. Europe is always first beneficiary. Overseas installment of Laserphoto was initially scheduled for 1977 and after. This relative rapidity of overseas introduction rests partly on the

earlier achievements in technical compatibility of American and European systems. Compatibility of American and European wirephoto was achieved in 1968. The Wirephoto computer introduced that year cut photo delivery time between the United States and Europe from 23 to 15 minutes, and whereas before European pictures had to be selected from a U.S. receiver (and vice versa) and placed on a U.S. transmitter, this was no longer necessary. The problem of incompatibility went back as far as 1935, and originated with the different qualities of transmission lines which had evolved in Europe and the United States, and which used two different systems of RPM drum speeds. A U.S. transmitter took 8 minutes to deliver, while it took a European transmitter 14 minutes; with one minute for change-over, this meant a 23 minute intercontinental delivery time.

UPI have opted for electrolytic technology, and in 1973 introduced Unifax II, which replaced an earlier electrostatic process. The new system went into production as recently as 1975. The machines were built by EG & G of Bedford, Mass., to UPI specifications, on a contract worth $7 million. One thousand newspicture receivers were considered sufficient to meet UPI's near-term requirements, and about 350 papers and television stations were signed up by mid-1974. EG & G also developed UPI's Telephoto Scan-Converter, which was installed in 1973. This automatically converted domestic or international picture signals to the desired use on its circuits, or in

other words allowed for compatibility between European and American systems. In technological advance therefore UPI is a few years behind AP in this field (1975).

2. Radio

A further major form of intermedia diversification was directed towards radio market. Chapter 3 examined the politics of this development in the United States. Once established there, progress was rapid, and after only two years, AP achieved 47.5% market saturation. Although this percentage remained relatively constant for the following two decades, the absolute number of radio outlets increased rapidly. They overtook the number of daily newspaper outlets by 1947 and today each United States agency has two to three times as many subscribers in broadcasting as amongst newspapers. In 1973, 3,402 stations took AP, and 3,560 took UPI. Between 1956-1966, AP added about 1,000 stations, and the total of that year, 2,924, was nearly three times the figure for 1950.

The broadcast wire services offered by AP and UPI are distinct services (unlike INS radio service when it existed), with their own team of editorial, but not reporting, staffs, and which put out short news bulletins of about fifteen minutes' duration once an hour, specifically designed for easy use by programme anchormen. Stations often subscribe to regular trunk and state wires as well. Charges vary on a sliding scale, according to the station's area of

dissemination. Regional or hub bureaux feed in local or state news onto the broadcast wire just as they do for the newspaper wires. (Both agencies increased the proportion of state and regional news content in 1963, in recognition of their station clients' interest in this level.) Radio wires are much shorter than regular wires and generally much cheaper. Because few stations have appreciable reportorial staff of their own, the dependence of stations for their news on agencies is rather greater, taking the field as a whole, than the dependence of newspapers. After salaries, wire service costs are generally the second greatest expense for radio stations.[3]

In 1958, UPI introduced the 'audio' service of voicecast news reports, and now has 780 subscribers for this service (1974). When in 1965 UPI took over the broadcast clients of Radio Press International (owned by Strauss Broadcasting Group), clients received an average of 65 voice stories a day, in addition to an average of five special daily reports on major news events, two daily reports from the New York Stock Exchange, a daily farm show and reports on business, finance, sports and the United Nations. Major expansion occurred in the late 'sixties when new audio studios were built in Chicago, and a portable studio constructed for use on major live programming. Chicago has been base for UPI's radio wires since 1957. Continuous or almost continuous broadcasts were instituted in 1972 when the agency began twenty daily newscasts on its audio network, claimed to reach 'several hundred stations'. According to

UPI's then President, Mims Thomason, these broadcasts 'frequently feature the voices of our correspondents around the world, and we think this further enhances their image and identification with the public'.[4] In 1974, UPI had 745 clients for its 24-hour, 7-day reports.

AP initiated a similar 24-hour service in 1974 which put out hourly $5\frac{1}{2}$ minute newscasts, each with open spots for a sixty-second and a thirty-second commercial break. There are also six daily pre-edited general and sports news feature packages, and business, financial, and consumer affairs reports. The service started with 100 clients, most important of whom were the Metromedia radio network and stations in eight of the continent's largest cities. Under the contractual arrangement, these clients would depend <u>exclusively</u> on AP Radio for domestic and overseas news coverage, reintroducing therefore a phenomenon that had been outlawed in the general news field for newspapers.

Soon after AP's introduction of a continuous radio feed, Mutual Broadcast System filed petitions with the FCC that sought the prohibition of regulations of AP and UPI's audio news networks. Mutual argued that the audio news services were networks and subject to FCC rules. Both AP and UPI submitted petitions in turn, in which they said that their audio news services were different from other broadcast networks in that they contained no commercial spots, made no claim on stations for air time, required no clearance, and could be broadcast on a delay basis and

edited or used as insertions in a station's regular news programme.

> "AP also suggested that Mutual was asking the FCC to apply network rules in a way which would protect Mutual from competition."5

Reuters and the BBC

Like the U.S. agencies, Reuters moved from a position of hostility to radio at its inception to gradual welcome of it as a market. In the early 'twenties it joined with other British press and agency media to restrict its provision of news to the newly established BBC. News would be provided only between 6 and 11 p.m., for distribution solely in the British Isles, long enough for only half an hour's broadcast (1,200 to 2,400 words), for use on broadcast programmes only and providing that the news source was acknowledged. The selection of news moreover was not to prejudice the interests of newspapers. Sir Roderick Jones of Reuters took the view that the BBC should neither collect its own news nor arrange its own news. The Post Office established in its talks with the BBC's constituent companies that no news should be broadcast which had not previously been published in the press. This was to prevent the wireless companies from becoming competitive with the news agencies 'as considerable capital is invested in those undertakings, and a large amount of Post Office revenue is derived from them'.[6] The PA went further and said it did not want the companies to transmit even that news which had already been published, for fear that broadcast stations might take

morning newspaper news to use in competition against local evening papers. Roderick Jones demanded that the power used for transmission of radio be low enough to prevent the possibility of foreign countries picking news up free (and thereby defrauding the agencies of their rightful revenue).

During the General Strike the press-BBC agreement was waived, and five news bulletins were broadcast each day. Afterwards a BBC News Section was formed for the first time. In extracting a series of concessions, Reith, the first Director-General of the BBC, pulled the BBC out of its position of total news dependence. First of all he persuaded the press to allow the BBC to broadcast its first bulletin at 6.30p.m.; then to acknowledge the agencies only once a week, rather than in every bulletin. First bulletins were broadcast by 6.00p.m. by 1930, and in 1932 the BBC was allowed to put news out at any time when events of unusual importance occurred. A prohibition against the BBC's use of BUP material, Reuter's American rival, remained in effect until the War. It was during the Second World War that the BBC's independent news operations really got off the ground.

Foreign Distribution of Voicecasts

Reuters has never provided regular radio-news services comparable to the specially tailored teleprinter services for radio clients put out by AP and UPI. In 1972, however, Reuters joined the American agencies in the audio field,

which it called the Voice Service. The most important market was North America, where it sold to the Multi-broadcast group. Expansion of BBC radio services in the United Kingdom, and the opening up of commercial radio, has produced more market possibilities at home. Voice services of each of these agencies are in English, which naturally limits their applicability. Since the U.S. radio market is about 30% of the world's total, this is not as important a financial constraint as it might seem. Since the senior editorial personnel of the agencies are usually native English speakers it is also organizationally convenient. Overseas, AP does not distribute voicecasts (1975), but UPI has voicecast studios in London and Hong Kong (mainly for local news to be transmitted to the United States). UPI voicecasts are sometimes used by UPITN. The broadcasts are made by regular UPI newsmen, recorded and distributed from a regional office. But amongst the editorial and technical staff, about one half are recruited from a broadcasting background.

Regular agency news services distribute to radio stations throughout the world, and are as important in this capacity as they are for newspapers as basic suppliers of international news. In many parts of the Asian region, radio clients outnumber newspapers, for instance, in both numerical and revenue terms. In the more developed parts of the world, newspapers are still the most significant client group, but with some important exceptions. In Germany for instance, Reuters sells mainly to the radio market; in Britain, AFP's

main client is the BBC.

Content of Radio Wires

There have been few published studies about the content and use of U.S. radio wires. One study indicated that the radio wire of UPI covered far less news than the trunk wire, and that the radio and state wires together added relatively little to the trunk wire in the way of new information: this study[7] looked at the UP wires in the state of Indiana in 1957, before the injection of more regional news in 1963 therefore. Radio subscribers could take up to three wires: trunk, local state or radio. A subscriber to all three could get 6-8% more available news at the four deadline times for radio than a one-service subscriber. The radio wire generally gave only 24-31% of the theme-points covered in all three wires together; and the radio and state wires together gave 49% of the three-wire total. But another study reported relatively high satisfaction with radio wires by clients.[8] This was a survey of 49 non-metropolitan stations in Georgia in 1951, of whom 69% subscribed to UP (Georgian media have traditionally favoured UPI) and 31% subscribed to AP. UP members were 75% satisfied: AP 82%. Both groups were least satisfied with state and local coverage (later improved by the agencies), but UP stations at that time were much more likely to feed local news stories into the service than AP stations. 53% of the sample never rewrite the agency news they received, and 44% said it was rewritten

'sometimes'. Most of the stations (81%) were affiliated with local newspapers or had news exchange agreements with them for local news.

Most of the studies that have been done indicate heavy reliance on agencies by radio stations, e.g.:-

> "The widespread use of processed news from the radio wires of the news services made it easy for even the smallest stations to schedule news every hour or even more often."[9]

> "Newspaper reporters can therefore look down their noses at the 'rip and read' boys - the announcers who call themselves reporters but whose digging consists of little more than picking up the copy from behind the AP or UPI printer in the newsroom."[10]

During the post-war period, relatively few of the new radio stations acquired network affiliation, and thus their news dependence on the agencies was greater than if they had been affiliated, since many of the networks produce their own news material - even if much of that too originates with the agencies. An area of possible growth for the U.S. agency radio services is the 'all-news' radio station. While the number of 'all-news' radio stations has jumped from 14 to 50 in recent years, and moved from the cities to rural areas, the costs involved in mounting an all-news format may be prohibitive of further growth. Its importance is indicated by the calculations of one source who estimated all-news radio to be the main daytime origin of news for 54% of American city-dwellers over the age of 18. One study of the major United States all-day radio stations found that 40% of the content was state and local news, 31%

national and 28% international. But all-news radio is particularly expensive: overhead costs are up to 50% higher than a music-based format. Grouped-station bureaux often cover 'hot spots' relatively well, but leave the rest to the agencies.[11]

A 1974 study of radio news confirmed that a high percentage originated with the wire services, but it refuted the traditional 'rip and read' image of radio dependence on the agencies. Buckalew[12] questioned 33 radio news editors in 29 radio stations in the US in connection with the preparation of two local newscasts in each station. These stations received a total of 1,019 news stories of which 451 or 44% were actually used for broadcast purposes. Of the original 1,019 stories, 609 or 59% came from the wire services and 274 of these or 45% were used for broadcast purposes. Other major sources of news for these stations were the stations' own 'beat reporters', who produced 13% of the input, of which 46% were used; and telephone stories, accounting for 8% of the input, of which only 14% were used.

Despite the heavy usage of wire service material there 'was not one instance of a newspaper story being used word-for-word in a radio newscast'. This study also conducted some useful and unusual market analysis, finding that the percentage of news input that originated with the agencies increased as the size of the market grew, so that wire news accounted for 36% of the input in small towns but as much as 69% in large towns; on the other hand, the percentage of the wire

service news actually used in broadcasts declined with market size, ranging from 48% in small markets to only 36% in large towns. The smaller proportion of wire service news as a percentage of input to smaller town radio stations was explained with reference to the 'inability of AP or UPI to write copy, except in a very few instances, that has to do directly with the small towns'. But this study only concerned itself with <u>local</u> news programmes, and this would preclude consideration of most of the material provided an editor by the wire services. The concentration on local news programmes may also help explain why there was relatively little evidence here of 'rip and read' habits, since editors would presumably have staff competent to check and rewrite on wire stories that concerned the local area, whereas this would be unlikely on stories of national and international scope.

Existing information therefore seems to indicate, firstly, that radio stations in the United States are heavily dependent on the wire services for news material <u>even</u> at the local level which is the least well-provided for by the agencies. Radio stations that rely only on the radio wires of the agencies probably receive much less information than they would if they subscribed to state and/or trunk wires as well. On the other hand a subscriber to the trunk wire would possibly gain only marginally in information terms by a subscription to an agency's radio wire; but the radio wire would of course afford him much greater convenience.

3. The News-Film Agencies

Agency wires, both regular and the special broadcast wires, go not only to radio stations but also to television stations. Both AP and UPI serve over 300 U.S. television stations in this way. But in addition to the provision of traditional news in print form, UPI, and more recently Reuters, are involved in the provision of news-film on an international scale. This of course is a substantially different kind of operation from normal agency output.

INS was actually one of the first agencies in the field, in 1950, but its material was mainly feature film for the home market. UP started in news-film a year later in 1951, when it linked up with the film news company, Movietone to form UP Movietone News, under the partial organization of William C. Payette, later to become a director of UPI and its Sales Manager in 1960. The arrangement was for Movietone to supply the film, while UP moved it across the world.

It started in Europe, because Movietone did not need UP in the United States. First European client was Dutch Television, followed shortly afterwards by the BBC. But the main market at that time was amongst the film newsreel distributors for showing in cinemas. All film was shot in 35mm, and reduced for television to 16mm, although at first television used 35mm for much of its news coverage since this was considered to give better quality film.

Strangely, AP's involvement in news-film in 1949, was extremely short-lived, and the service was suspended by 1952. AP's quick withdrawal is one of the apparent mysteries of agency development: in other respects the post-war development of the two agencies has been strikingly similar, and this is reflected in the close parallels between AP's annual statements and UPI's Chairman's reports.

AP may have had its membership to consider. The introduction of radio news in the 'thirties had almost split the organization apart, and news-film seemed a more problematic business. It may have been acceptable for UP to allow some other organization to take responsibility for filming, but how could AP so readily hand over the reporting function - in celluloid or on paper against possible opposition on principle from many of its members. And if AP was going to do its own filming, that would take a lot of investment and know-how. The primary markets would be outside the United States because of established competition at home. But AP had never given the same attention to overseas markets as had UP, and the idea of this kind of investment ran counter to the agency's main concern with domestic newspaper members. The commercial attraction of the venture was not so compulsive.

UP's relationship with Movietone was unsettled. As the number of television stations in Europe proliferated, so the importance of that market increased and eventually dominated. This was not necessarily to Movietone's

advantage. To service the television market adequately would mean extensive capital outlay and a diversion of the company's resources into a field that was in competition with its own traditional cinema involvement.

The problems surfaced only gradually and the partnership lasted ten years, sufficient time for UP to become known in the field. When the break came in 1963, UPI (as it now was) decided to go it alone with UPI Newsfilm Inc., described in the agency's presidential address for that year as a 'multi-million dollar operation'. (In 1968 the annual expense of operating UPITN was $4,500,000.) UPI was now doing what AP had been reluctant to do over ten years earlier - putting up its own capital for technical equipment and film expertise, in addition to the distribution network already in existence.

But by this time a transatlantic competitor had emerged. This was the British Commonwealth Film Agency, established in the mid-fifties by the BBC and the British film company, the Rank Organization. The appearance of Reuters with a small holding in this film agency, amounting to about one-ninth of the total, possibly troubled UPI.

The operations of the BCFA were sufficiently limited for the BBC to continue its client relationship with UPI Newsfilm Inc. BCFA itself took on a rather less imperial image when in 1964 it changed its name to Visnews. Three years later the BBC, which had after all considerable

news-film resources of its own, decided to drop UPI News-film's service. This development precipitated the link-up of UPI with Independent Television News, which serviced Britain's commercial television stations with national and international news bulletins. The new organization was known as UPITN, jointly owned on a fifty-fifty basis between UPI and ITN. ITN paid UPITN for its news-film and UPITN paid UPI for the communication and other facilities provided by the agency.

In effect, UPI had returned to the kind of relationship it had had with Movietone, proving that it was difficult to go it alone in this field. Had it not been for the earlier patronage of the BBC, the most prestigious client the agency could have found outside the United States, UPI's news-film experiment might have already failed. Without the BBC it needed some kind of equivalent strength, and ITN, luckily, was available. ITN did not have the over-seas reporting strength which the BBC with its various radio responsibilities had maintained since the war. Nor for the same reason did it have the same kind of inter-national communications network. The idea of a link-up with UPI, an American agency, seemed the kind of brash inspiration that had already made independent television one of the most culturally troublesome phenomena, in the eyes of the British Establishment, since the arrival of cinema. ITN had until now run a small film distribution system of its own, as well as a joint television film syndicate operation with CBS (U.S.A.). The syndicate

had been ITN's solution to the problem of covering North America within a reasonable budget - CBS would provide the North American film needed by ITN in exchange for ITN's world film. UPI's activities on the other hand were far more extensive geographically than those of CBS in the news field, and there was not the same danger that competitive interests would some day upset the partnership. CBS did remain in the field of international news film distribution into the 'seventies, but in only a very limited way by comparison with UPITN and Visnews.

At about the same time as UPITN's appearance, Reuters' share of Visnews increased dramatically from about a ninth to about a third of the total. The Rank Organization had diversified into commercial television through its acquisition of part of Southern Television (U.K.), which meant that it had interests both in Visnews and, indirectly, in ITN (which of course provided Southern Television with its news and was partly funded by it). Rank was obliged to withdraw from Visnews for fear of contravening ITA's charter.

Both news-film agencies are thought of as service organizations by those who work for them.[14] UPITN aims not to make a loss; Visnews profits are ploughed back into the company. A very distinctive characteristic shared by both is heavy British involvement: Visnews is mainly owned by the BBC and Reuters, each of whom holds about one-third of the ownership, while the remaining third is

divided between the Canadian Broadcasting Service and the national broadcasting networks of Australia and New Zealand, in approximately equal parts. UPITN, as we have seen, was until recently half owned by the British ITN. (ITN's control was reduced by the involvement of Paramount in 1974, and further still when Paramount's interest was bought out by the Panax Corporation which in 1977 had a 50% interest, against UPI's 25% and ITN's 25%)[13]

News-film Agencies and the U.S. Market

Despite the British connection the news-film agencies like the general news agencies, spend a lot of their time worrying about the United States - not necessarily because they are looking for vast profits from this market, but simply because they want to cut costs. The United States is expensive to cover, but it has to be covered and covered well to meet the news appetites of the western world. At the same time, the United States is a difficult market to break into.

ITN linked up with CBS, first of all, and then UPI, because it needed either a cheap source of North American film or the use of someone else's communications infrastructure. CBS was also a client, and would continue to be one even after the link with UPI. UPITN's newsgathering operation is basically split into two divisions. The United States division distributes and collects film within the States, and the International Division takes care of everywhere else. The International Division has its headquarters

in the London offices of ITN, and regional offices are located in Paris, Frankfurt and until 1972 in Tokyo, during which year the Far Eastern office was transferred to Hong Kong. There are some twenty full-time film crews, about seven of them for New York and Washington and the rest clustered in Germany (Frankfurt) anu France (Paris) which have three crews each. London and Tokyo account for most of the rest. As a result of the move to Hong Kong, however, Tokyo will be covered for ITN by CBS in the future. The BBC also takes CBS film, and the ITN-CBS relationship in Tokyo is a minor example of the incestuous liaisons that so frequently occur in the agency world.

Visnews solved the problem of North America through partial reliance on an exchange arrangement with NBC (USA) which supplied North American film, especially film from the mid-west and west coast. News of the United States is so important for the news-film clientele around the world that in the case of Visnews it accounts for about one third of the agency's film.

Early in 1973, Visnews greatly extended its involvement with American television when it signed up an exchange arrangement with Television News (U.S.A.), and took a small percentage of the holding. Television News Inc. (TVN) was conceived in the mid-sixties by west coast entrepreneurs who felt the need for an alternative source of national and international news to that of the three east-coast giants. Finance came from the Adolph Coors

Company of Golden, Colorado. Joseph Coors, Executive Vice-President of the Company, whose major interests were porcelain and brewing, adopted the scheme largely out of philanthropic interest. In practice this interest has tended to be conservative in tone. There has been considerable conflict in the early years of the enterprise between the professionals appointed to run it and the Board, who were convinced that 'East-coast' professionalism was actually liberal propaganda.

The scheme was finally launched in the Spring of 1973. Aware that it had nothing like the resources available to the giants in New York who spent about four million dollars a year on international news, Television News had previously approached Visnews with the idea that Visnews should supply the international film in return for a share in the ownership and the right to use domestic film for its own overseas distribution. To Visnews this seemed an excellent way of expanding its news-film resources from North America, while at the same time there was the hope that it might one day begin to earn appreciable revenue from its TVN interest.

TVN does not operate in the same way as the giants. Each day it transmits between fifteen and thirty stories to its subscriber stations over leased audio and video lines. Each story lasts about one and a half minutes, and total transmission time is between thirty and sixty minutes. Two-thirds of the feed is domestic news of the United States, the other third is foreign news. The basic idea of the

scheme is that subscribers can record the daily feed on videotape, select the stories they want for inclusion in their locally produced news programmes, and in that way produce their own news rather than depend on the creative decisions taken by the giants. Twice in the day before the feed the subscribers are advised as to the material that will be transmitted, and they receive suggested lead-ins, cues, timing and scripts where appropriate. TVN uses no anchorman, and narration is employed only where absolutely necessary, as in interviews and enterprise stories. The individual stories are transmitted without identification of their source. In all these ways the subscriber station is allowed to retain his own image and autonomy.

The scheme assumes that where possible a television station will prefer to use its own material and to retain control over the packaging and presentation of film bought from outside. By using TVN film the subscriber can use his own advertising during the news programme, and retain all the revenue. Under the Network system, on the other hand, advertising is provided by the network, along with everything else, and the station gets only a small cut on the advertising revenue. A station that uses TVN film can produce a well-integrated news programme of local-national-international news. If it depends on the networks, it is obliged to produce a separate local news programme. Local news is often visually uninteresting and unless it is relieved with film stories from a national

and international background, such programmes can be tedious.

TVN has not a tenth of the resources at the disposal of the large networks. But it does not have to spend money on studios, studio-staff, anchormen and other ingredients of the polished package provided by the networks. The cost of international news is kept within the budget through the Visnews arrangement. Revenue from subscribers, on per-subscriber basis, is not inconsiderable, and probably pitched at some point not far below what it would cost a station to continue with the networks, taking into account the loss on advertising revenue if it did so.

Even so, the advance of TVN has been hindered by one considerable problem. A station that wishes to subscribe has to purchase from AT+T a device called a receive loop which brings the sound and picture of television transmission into the TV station. It costs $2,500 a month, and the networks pay the cost for their affiliates. Network affiliates have to pay around $900 a month if they wish to switch the loop from the position used to receive network programming to that used to receive TVN. The service itself might only cost $770 to $880 a month (1975).

This difficulty is one important factor that helps to explain why in 1975 the company was far from making a profit. It had only forty clients, but it needed 100 to break even. One source estimated that TVN lost

several million dollars in its first year.[15] A possible solution is the switch to satellite communications. Some 10-12 million dollars have been budgeted for a network of satellite ground stations around the country which would enable clients to receive the service by satellite. It is very likely that rates will be much cheaper this way than through AT+T. A similar satellite proposal but for regular print news distribution was mooted two years later by AP and UPI when faced with substantial leased line charge increases imposed by AT+T.

The link-up between TVN and Visnews strangely had no effect on the exchange-arrangement between Visnews and NBC. This was a time when President Nixon was threatening to compel the networks to disaffiliate many of their stations, and NBC might not have wished to be seen to be making things too uncomfortable for the smaller competition. So Visnews can distribute both NBC and TVN news-film abroad. It can even distribute NBC film within the North American continent if it so wishes. But it cannot provide TVN film to NBC, or NBC film to TVN, nor can it distribute TVN film in North America through independent channels. It can use any overseas film which TVN has shot for itself, for distribution outside North America, although there is little of this.

Whatever advantage there was in being able to continue with NBC, its effect was eroded in other ways. Not long after the TVN-Visnews link-up AT+T increased its rates for short-time leased wire usage. This damaged organizations

like TVN which needed vast communications but only for up to one hour a day, while it improved the relative position of the long-time users, that is, those organizations like the big networks which leased for very long periods of time each day.

TVN started with thirty client stations in May 1973. The stations were attracted by the offer of free film during a trial first month. Although the service was designed to attract stations not affiliated to the big networks, half the stations which initially tried it were already linked with CBS, NBC, or ABC. The interest of the affiliate stations may have been political - fear of losing their licenses if they were seen to be prepared to continue in their dependent relationship on the big networks, at a time when Washington was criticizing the networks for their 'liberal' ideological domination of the smaller stations.

This was a brave venture for Visnews; if the idea really took off, Visnews would have a share in one of the most affluent media markets of the world. No one was in fact that optimistic, but UPITN was worried. UPITN was familiar with the basic TVN philosophy. It had served the Overmyer TV Network in New York with news and film when this operation had started in 1967. The Overmyer network had been the first television network established within the United States since 1948. Its idea was to make it possible for non-affiliate stations to obtain 'network-calibre' material via cable. UPI President, Mims Thomason explained at the

time that the UPI Newsfilm Division had already gained a 'very big proportion of television news abroad', but that in the United States it had 'not been able to compete with the facilities and news resources of the big TV networks'.[16]

The Overmyer network started with an initial programming of eight hours a day for seven days a week, and its capital came from the Overmyer Company's interests in warehousing, leasing, banking, finance and television. It based its business strategy on the reasoning that there had been an increase in the number of television stations in the United States of several hundred per cent between 1948 and 1966, from 51 to over 700, while the number of networks had remained constant at three.

The Overmyer network would meet the needs of the independent television operator who could not afford to buy sufficient top-flight programming. Affiliates of the new network would receive their programming free of charge, and retain advertising revenue on one-third of the air time, while the network pocketed the revenue for the remaining two-thirds of air time.

Unlike TVN, Overmyer was clearly a network, not simply a source of basic pre-packaged material. It dealt mainly with entertainment, and not, as with TVN, just news. The extent of UPITN's involvement with the network was not on the same scale as the extent of the Visnews involvement

with TVN, but clearly UPITN did interpret the Overmyer deal as an entry to the U.S. market.

Before the early 1970's, UPITN's delivery of film in the United States was mostly by air, which meant that much of the material was feature-oriented rather than hard news, since air travel slowed up delivery beyond the period suitable for hard news coverage. This in turn limited the agency's possibilities on the U.S. market, in addition to the formidable factor of the network competition.

In UPITN's eyes the link between TVN and Visnews threatened to spread the image of Visnews around the North American continent in a major innovatory fashion that would leave UPITN and its part-owner UPI out in the cold. Once again, the solution was in the style of the original collaboration with Movietone. Both TVN and Visnews were embedded squarely in the television news business. UPITN looked once more to the world of cinema and came up with Paramount Pictures Corporation. It announced that seven-day electronic news feeds would start early in June 1973.

Paramount had not produced news-film since its cinema regular, 'Eyes and Ears of the World', started in 1927, came to an end in 1957. Here it was back in the business, on the side of television, perhaps vaguely attracted by the talk of wondrous developments in the field of cassettes, electronic information storage and retrieval, and so on. Paramount now became part-owner of UPITN.

UPITN-Paramount started with eight stations, each of which received on the first day some 25 pieces of film. One station, WNEW in New York, used 15 of the stories in its 10 p.m. news programme. All initial clients were non-affiliates, but it was thought some affiliate stations would soon sign up.

This was a new market, a new kind of operation for the news-film agencies, also an unpredictable market, especially for a commodity like news. Maybe one agency by itself could have succeeded and perhaps even have set a major trend which the second agency could then exploit. But the two agencies scrambling together for the same non-affiliated clients from the very start and on a rate-cutting basis was hardly going to last.

After two weeks, three out of the thirty initial clients for the Visnews-TVN service signed up as permanent subscribers. Six weeks or so after the new service had begun only a dozen stations had signed up permanently. This did not look like an avalanche by comparison with the 150 to 200 stations which took their nightly news service from the three big networks. Some of the initial stations were important ones, however, and gave some room for optimism. They included stations in Chicago, Washington, New York and Los Angeles. By the end of the year, it was predicted, there would be thirty permanent subscribers and by the end of the following year it was estimated that the venture would start showing a profit.

In the event expenditure was still considerably greater than revenue even well into 1974. But TVN had survived the initial plunge. UPITN-Paramount did not. Almost a year after it began, in a joint announcement with TVN, UPITN-Paramount agreed in principle to TVN's purchase of almost all of UPITN's domestic newsfilm business. UPITN stated that this would not affect its international operations. UPITN-Paramount then searched for a new partner who would supply North American film for overseas distribution, but without success. For a while TVN itself supplied film to UPITN. Then in the Spring of 1975, the Paramount share was bought by the Sacramento Union Corporation, owned by John P. McGoff, president of Panax Corporation. Panax Corporation, a newspaper publishing and printing firm, took 65% of its revenues from the operation of its eight daily and 28 weekly newspapers in the first quarter of 1975, the rest coming from commercial printing and typesetting operations, and its printingmachinery sales division. The corporation had experienced a revenue decline in the course of 1974 of nearly 10%. A month or so after the link-up of Panax and UPITN, the news-film agency announced a pact with the third largest US TV network, ABC, whereby ITN would receive film from ABC's home coverage and its ten overseas bureaux in return for ITN film. While solving UPITN's greatest problem - the provision of US film, it did signal the death of the idea of UPITN as a strong and independent agency on the U.S. market.

Both news-film agencies had entered the market at a bad

time for foreign news in the United States. The country was obsessed with domestic problems. A content analysis study of TV network news programmes in 1969 showed that national news accounted for over 60% of all stories, and of the remainder, over half were stories that were really about the United States, only they had taken place overseas. Truly foreign news stories accounted for about 16% of the total (10% of total time).[17]

There was no sign of improvement in the 'seventies. An English observer reported in the fall of 1974 that in a typical week of American television, a week in which there had been no cataclysmic world events it is true, an American network scarcely devoted more than ten minutes of its one-hour news programme to foreign news stories. He went on to quote a study by the Television News Archive at Vanderbilt University which showed that during February 1974 not one big American network used a single story from their Rome bureau, and from Tokyo only one network used one story.[18] This apparent neglect was accompanied by an extravagance of possibility. Together the networks spent nearly four million dollars a year on foreign news, which represented about 10% of their annual news budget.

The progress of the Watergate story increased the appetite for domestic news. By the end of 1974 the major stations had increased their news coverage from sixty to ninety minutes a day, and some stations increased it to two hours a night while others talked of two and a half, even

four hours a day. It was possible that this appetite would be redirected towards foreign news if supply and stomach for domestic news reduced. But by now it was too late for UPITN-Paramount.

Visnews was protected from the relative lack of enthusiasm for overseas news in America. It did not have to worry about home coverage, which was TVN's responsibility. UPITN could not find a partner like TVN because none was available. Between them UPITN and Paramount would have had to have built up a domestic news-reporting system in addition to the few teams UPITN maintained on the east coast for coverage of stories of obvious world interest. That would have involved heavy investment of money and energy which would not have fed directly into UPITN's international operations for several years even if things went well, which they didn't.

The surviving agency, TVN, which had inherited most of the UPITN-Paramount gains, could hardly have been described as being in a strong postion in 1974. A small clientele, huge demand for national news, increased communications costs that favoured the big networks and an economic recession, all contributed to its failure to live up to the more optimistic predictions of early 1973. A cut in the size of the Los Angeles bureau that year by some sixteen men, was interpreted as a grim sign by some, but TVN pointed in reply to an increase in strength on the New York side.

Other Foreign Markets

In terms of their relative extensiveness of operation Visnews, which came into the field later, has always had the edge on UPITN. In the first half of 1973, Visnews distributed to 160 stations in 85 countries and UPITN distributed to 98 networks and stations in 66 countries.

If the sheer number of countries is an important indicator of strength, Visnews has been helped in this respect by its Commonwealth connections. In 1972 for instance, Visnews did good business with Australia, where UPITN did none whatsoever. In Africa Visnews is rather more acceptable than UPITN, largely because of its heavily British character and its association with the BBC which has tremendous prestige in at least the English-speaking countries and which has helped in the establishment of African national broadcasting stations. The participation of Reuters in Visnews helps in a similar way. From UPITN's point of view, on the other hand, Africa is not a lucrative market. Neither agency gets much film from African stations because they do not produce much, and much of what is produced is not technically adequate and is in any case still black-and-white. This both reduces the total amount of film available on African news stories, and increases the inconvenience to the news-film agencies of the coverage that <u>is</u> provided.

By far the most important market for the agencies is Europe. The U.S. market as we have seen is largely

controlled by the three major television networks in that country. The purpose of selling in America at all is to make coverage less expensive rather than to make profit. The reason why this is a problem in America especially is because a world agency must have substantial coverage of America if it is to sell anywhere. (Whereas the same does not seem to apply with Russia or China.) So just as Europe is the most important market for Reuters and AFP, so it is for Visnews and UPITN.

Their film goes to European countries either through the Eurovision network or by air freight. Air-freight is still used for transportation over relatively short distances because, at the time of writing, film has the advantage that it can easily be kept. Electronic video storage on the other hand requires special equipment which most European television stations do not have, and it is also expensive to edit videotape.

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News-film agency material is offered to European stations via the European Broadcasting Unit's sound network prior to television exchange, in the case of the film which goes via Eurovision. Of all Eurovision material in 1972, an average of 9.6 stations in Europe received an item when it was transmitted. The figure for Eastern Europe and Latin America was 3.2.

In 1972 only two European stations on the Eurovision network did not subscribe to either UPITN or to Visnews, whereas

eleven did not subscribe to CBS. Non-subscribers may have access to agency material provided they have the permission of the agency concerned. The agencies can take material from Eurovision provided they have the consent of the television station which shot the film, and that they pay the station and any others involved. This film can be distributed only to broadcast organizations.

Eurovision is useful to the agencies because it relieves them of the worry of flight schedules and customs agents. It is good for the Eurovision stations of course because it gives them access to world-wide material. There is some criticism of the agencies by the European stations.[19] Some say that the advance notices they give do not match with the final film which is transmitted. Others complain that too many items are offered. An average of 27% of almost 6,000 yearly offers are accepted. So it is said that the agencies should exercise more restraint in their selections by not offering items that can be sent by air in time for the major newscasts, and by including only spot-news film, not the timeless feature stories which they also produce. The agencies on the other hand complain that the EBU roster system is unfair. This is employed when two or more identical items are offered by the agencies. Only one is transmitted and the selection made on a roster basis. The agencies say this limits the subscribers' freedom of choice. They also dislike the rule whereby when a member station's offer coincides with an agency's offer the member's contribution has preference.

Of the 4,564 items transmitted over the Eurovision network in 1972, 2,271 or approximately 50% originated with the television news-film agencies, by far the most important of which were Visnews and UPITN, followed by CBS Newsfilm, the European Television Service (controlled by the West German TV networks ARD and ZDF, the German news agency DPA, and Hage, a national film and television production enterprise). This represented an increase of 29% over their contribution in 1971. The total number of items transmitted by Eurovision increased from about 2,700 in 1968 to about 4,500 in 1972, an increase of 67%. Most of the items offered by the agencies are from outside Europe, though filtered through their London offices. The dependence of European stations on the news-film agencies thus increases the further the distance of events covered by the agencies' film.

The dominance of the European market is the most important feature of the television news-film agencies' distribution. Although their distribution is unbalanced in this sense, it is on the whole less unbalanced than the distribution of audiocasts, because film is a visual medium and transcends language barriers even if it cannot always surmount cultural ones. Agency film is not accompanied by speech sound. It may be sent out with explanatory sheets, but these are not designed to be read out, only to inform and to identify at the point of reception. Interviews are the exception and are generally left in the original language in which they were conducted. Where appropriate, <u>natural</u>

sounds are left in - the sound of a hurricane for instance in a disaster story.

Outside Europe, Visnews is the main agency serving Australia, New Zealand and Japan. It is the strongest agency in Africa, where it serves almost every country, and its service is more regionalized than UPITN's as a result. In South America, UPITN is on better ground since UPI is more established there than Reuters. Its film goes out mostly from London, and sometimes from New York which is in a better position to arrange for flights to be met on time at their point of destination.

Both agencies select their material according to the character of the client or at least the client area. Visnews does this more precisely than UPITN. There is a limit to the extent that such tailoring to the market is possible. The time factor - the length of time it takes to get 'hot' news film from London or New York to the client - makes it possible to warn the client about the general character of the film in advance, but impossible for him to make the selection himself without causing intolerable delays.

The client will usually give the agency an idea of his general requirements, and the agency will fit its selection to these. The requirements can be updated at any time. In making these known, clients tend to say what they do not want rather more easily than what they do want. Typical requirements include: no news of Communist China;

no nude or semi-nude women; no street disorders. One positive requirement is Russia's keen interest in film of western military exercises.

UPITN clients receive packages of about twelve stories a day, or between fifteen or twenty minutes of film a day; Visnews sends about ten stories a day to each individual client. The total pool of stories is of course larger than the number of stories sent to any one client; in the case of Visnews, about four times as large. Visnews estimates that about one third of the average client's package is news of his own geographical region or continent. News, that is, which would proably be without interest to any other region. Donald Ferguson, editor-in-chief of Visnews, has written that there are few universal or world-wide stories that must be distributed everywhere, only about half a dozen a year.[20]

Not all of the news-agency film is actually shot by the agencies. Just as the general news agencies often depend largely on the services of national agencies and other national media, so the news-film agencies take a lot of their film from television stations. At least one third of Visnews material comes from other stations like TVN (USA) NBC (USA) or NHK (Japan), and the stations of the communist or socialist countries.

There is a tendency for the agencies to cover the under-developed regions of the world for themselves. This is

because the film of local stations is often not considered adequate technically or is shot in black-and-white. This is true of Africa and the Middle East. The agencies are rather more hampered by political restrictions than the general news agencies. Film from the local station is rarely likely to be controversial, and if the agencies are going to cover for themselves it is far less easy for them to be unseen than it is for ordinary reporters, and coverage is far more expensive.

In the developed world the agencies are more likely to take their film, or some of it, from local stations. But there are important exceptions. In France, Visnews covers for itself in order to avoid trouble with French unions, and because the centralized character of ORTF (though this has now been partially decentralized) and its links with the political establishment make dependence on that source undesirable. The same scruplosity is not always exercised towards other stations, but France is a sufficiently important and regular source of news to justify independent coverage. Another problem with ORTF is that the French Government distributes some ORTF film to its colonies and francophone territories where Visnews also distributes, and it would not be politic for Visnews to offer film which originated from sources also available to the other client.

West German news is also largely covered independently by Visnews. One reason is that there is a German television agency which distributes German news abroad. Also because

there are competing state-controlled stations in Germany and Visnews does not like to favour one over another. These same stations may be clients for Visnews film from overseas received through Eurovision or by air. Another factor is that Visnews needs film immediately, and some stations are unwilling to provide their film until its news-worthiness is safely exhausted, or will have been exhausted by the time Visnews has flown it to destinations on other continents, after appropriate processing in London.

Distribution is generally by air, and the danger of delay is great. In most countries film does not have to pass through customs, because it will have been cleared in advance of arrival. But it must go through a computer-controlled package-marshalling system which is not susceptible to the personal contacts and manipulation which can be employed to speed up the process when it is done mechanically.

Air-freight is getting more expensive with time and airport delays of two to four hours add to that expense. In some parts of the world however, transmission is by cable. Within the United States this is usually the case. Trans-atlantic transmission is occasionally by satellite - it is impossible to send film by underwater cable. Air freight is the norm because it is so much less expensive than satellite. It cost about $2,000 for ten minutes' trans-atlantic transmission by satellite in 1974, all costs included, whereas air freight was about $45. The

British Post Office charged about $1,000 for its share of satellite communication, and the United States end charged rather less, about $800. In addition there were payments for ground lines, speech circuits, terminal equipment. Trans-pacific satellite communication for the same period of time was about $3,500, in exposed form.

Another reason why air-freight is the norm for trans-atlantic communication is that at seven or eight c'clock in the evening in New York, when most of the United States film is available there, it is about one c'clock in the morning in Europe, a time when film is least required and when the use of slow transport does not matter.

Cheaper satellite communication would give the agencies greater flexibility. The Post Office claims it is expensive because traffic volume is unpredictable, and it calculates that the number of telephone calls displaced by film-passage justifies the high charges. The agencies argue that much of this potential telephone traffic never happens anyway and that they are helping the Post Office utilize spare capacity. The problem of unpredictability of demand can be solved by fixed times. Eurovision for instance now has standing lines, and has cut its costs through routinization. In order for an agency to do this, it is necessary to have permanent arrangements with clients or partners who have agreed to take film regularly and at certain times of the day. The ITU has recommended that PTT's make 40% discounts for arrangements of this kind. The EBU, which runs the Eurovision system, has started a

contractual arrangement whereby it takes up lately-arrived film from the United States by satellite. It would make more economic sense if it were the other way around - U.S. stations receiving European film, since they would be able to use it more immediately on the day of reception - but this would require a degree of co-operation between the three American networks which does not exist.

Transatlantic communications between New York, London and the continent of Europe are by far the most important in the agency news traffic system. New York is the most important single source, and Europe is the most important news market. London, suitably in-between the two continents of America and Europe, is the main centre for news-processing. Visnews employs about 450 personnel in London or who are assigned from London, and of these 170 are in the news division. The journalists are from many countries, but commonwealth and anglo-saxon predominate. To the London-based staff should be added fifty or sixty others who are not controlled mainly from London.

Both agencies are important sources of film for the television stations with which they are linked through ownership. Visnews estimates that the BBC consumes two to three of its news stories every night on average, which is about the same or even slightly more than the stories of overseas (non-British) events filmed by BBC crews. CBS and Eurovision material may account for between a quarter and a third of the average BBC consumption of

foreign film. Actual proportions on any given day vary enormously.

ITN takes its foreign film from CBS, UPITN, Eurovision and its own resources. ITN tends to have fewer news programmes than the BBC, and to have rather fewer news stories a night (since BBC has 2 channels) which may mean that ITN use of UPITN is less in volume than the BBC's use of Visnews. A UPITN source however estimates that the percentage of ITN news which originates with UPITN is sometimes as high as 20%, though it varies considerably. The percentage of <u>foreign</u> news originating from UPITN would of course be much higher. It would be expected that ITN's dependence on UPITN for foreign film would be substantial, since ITN has only about 50% of the strength of the BBC's total overseas reporting resources. The BBC has to feed radio as well as two television channels. In sum, the news-film agencies may account for between forty and sixty per cent of all BBC and ITN foreign news and in any case their contribution is very substantial.

We have seen that imbalances in the geographic makeup of news traffic on the general news agency wires is determined in part by the more extravagant imbalances in the distribution of media resources around the world. In the case of the news-film agencies, the same applies but more so, and changes in composition of news-film packages might be expected to follow on broader changes in the distribution of television station clients and revenue, and changes in the taste for news.

Recent studies indicate very restricted interests on the part of some of the European television stations. A comparative study conducted from the Leicester Mass Communications Research Centre found that in selected stations the news from Black Africa provided only one or two per cent of the total; news from central and Latin Amercia about the same, and from Asia a little more, largely on account of the Vietnamese War. The United States on the other hand provided as many stories as those three continents put together.[21]

Improvements in the facilities for exchange of television material between the major world regions may have the effect of inducing higher consumption of news from currently under-represented regions, and in that way create a demand that will eventually make itself felt in the agencies too. But improved facilities for international communication have so far tended to accentuate the unidirectionality of news-flow.

The possibility of such improvements have been explored in recent years for the Middle East, Latin America and Asia. Eurovision extended to South America in early 1971 involving the Spanish television organization Servicio Iberamericano de Noticias (SIN) and the South American Organizacion de la Television Iberamericano based in Mexico City. Spain pays the costs of co-ordination and transmission, and Intelsat allows a reduction of about 55% of the previous tariff for each reception station in the news flow. Euro-

vision material is channelled via Spanish television to South America, by satellite. The charges to South American stations by the PTT's of that continent are higher as a rule than those of the United States and Europe, but in some cases block bookings have been accepted on a concessionary basis. Ground station charges in Brazil, Colombia, Peru, Venezuela were $450 for the first ten minutes and $18 for every additional minute in the early 'seventies. Comparative rates in other South American countries were double or quadruple these figures. The stations or Argentina and Mexico originally participated in the scheme but then withdrew when their national PTT's refused to lower the ground rates.

Nevertheless, the supply of European film to South America has greatly improved as a result of this development. News of European stations in the communist block is also transmitted, but this is news which has been selected by Eurovision members from the Intervision offerings. (Intervision is the East European equivalent to Eurovision.) An estimated 1750 filmed news stories a year have passed from Europe to South America by satellite since 1971. But the reverse flow, from South America to Europe, has never exceeded 30 news items a year. Thus far the new development has tended to reinforce one of the traditional characteristics of international news flow: its unidirectionality, even though improvements in volume are not unimportant. Immediate demand effect on the agencies might be to encourage further concentration of resources in the developed western

world, rather than a more balanced distribution. The agencies want payment, whereas the Eurovision film that has originated from member stations is offered free, after budget contributions have been considered. Half of the Eurovision budget is supported by the stations of four European countries: the United Kingdom, France, Italy and West Germany. Since Spain covers transmission cost, South American stations are receiving Eurovision film at a very cheap rate, at a cost equivalent to transmission to or from the extremities of Europe within the basic Eurovision area.

A similar exchange arrangement between Eurovision and a major world region was established in 1974 with the beginning of the Arab States Broadcasting Union's involvement. The ASBU had proposed in 1973 that the entire Arab region should be broken into three sub-regions, each of which would possess one satellite station, encouraging intra-regional exchanges and facilitating the daily supply of news from Europe.

In Asia a regional exchange of television items by satellite began to seem feasible by the late 'seventies, but for the most part landline or microwave were the most accessible means of communication between Japan and Korea, Singapore and West Malaysia and Thailand, Turkey and Iran and Pakistan. Satellite charges in this part of the world are very high, and the great diversity of policies and objectives held by different earth stations which is a global characteristic

of satellite communication, is especially in evidence here. Rates for a 'half-junction' in Asia in 1970, for instance, (that is to say the charges for transmission between satellite and a particular gateway city) varied between $670 and $1,306.

There is some optimism that technical improvements in the facilities for news exchange between different parts of the world will bring about a greater balance in the composition of international news-film flow. These should not be exaggerated, however. The general news agencies have gone through great improvements in their own communications systems since the late 1960's, but in their case too there are still great imbalances. The same is likely to be true for the news-film agencies.

These imbalances may only be important if they are out of line with the pattern of actual demand in certain world regions. But just as the less developed parts of the world have frequently expressed exasperation at their dependence on the general news agencies for the basic news feed, similar fëelings have emerged against the news-film agencies. These were expressed at an IBI Tokyo news workshop in 1971:

> "Newsfilm agencies, because they would continue to fill a vital role in distribution, are urged by the workshop to widen their services to satisfy the developing nations particularly."[22]

The nature of complaints from the developing nations was described in the report of Sir Charles Moses on the proceedings of IBU Nicosia Conference in 1973:

> "There were a number of points about which the developing nations were unanimous. These were: that the agency services were overloaded with items from and about Europe and North America; that inadequate coverage is given to news emanating from countries of Asia, Africa and South America, where about 90% of the world's population live; that the agencies, when transmitting news stories from Europe and North America, often assume, quite erroneously, that broadcast newsmen in other parts of the world have a similar knowledge of the relevant background as their colleagues in the countries originating the stories - therefore there is a real need for the provision of adequate background material; also that the placing of experienced newsmen from Asia and Africa in agency newsrooms to help in the selection of news material for transmission to their regions would ensure that news stories unlikely to be of interest are not transmitted."23

We have seen that one reason why there is said to be insufficient film from the developing countries and between them is that the film offered by broadcast organizations in many of these countries is often found to be inadequate or unsuitable for the agencies for technical reasons. This means that coverage is left to the agencies' own resources and they are cautious in their employment of these resources.

No great hope for dramatic change in the present state of affairs was offered in the statement of Gerald Long, Managing Director of Reuters, to the 1973 IBI Nicosia Conference.

> "It is inevitable that the flow of TV programming is largely from the countries of advanced technical development to the developing ones...." 24

Long was talking of TV programming generally. His argument was that the one-way flow would be acceptable if the content

represented a boon to the developing nations. But in practice the content was largely irrelevant both to industrial and developing societies. He favoured the development of techniques which would offer choice, and in that way off-set the problem of domination by the industrial countries. In particular he advocated cable technique, which Reuters itself had begun to exploit in North America and which increased choice, and made available any sort of textual material provided there was storage for it.

Part of the problem of imbalance in international television news-film flow is therefore the general character of all television news flow across the world, which is largely one-way and which is dominated by entertainment material designed originally to suit the needs of North America and Western Europe and Japan. This does nothing to stimulate popular demand for material of closer regional and cultural relevance.

Changes in the geographic make-up of story origins are likely to follow changes in technology and in markets, as far as the agency news-film output is concerned. A more immediate kind of change that could be exploited to offset criticisms of cultural bias is in the direction of greater feature content as opposed to spot-news. Spot-news is and will continue to be the agencies' principal activity. But the production of feature material is a useful sideline which also keeps staff employed who might otherwise be underused during slack news periods in their

respective regions. A feature film can easily be put to one side if a major news story breaks. And it has a much longer storage time than spot-news. Visnews has actively pursued this policy recently with a series of cultural and semi-educational programmes mainly for children.

Despite their obvious importance in the world flow of television news, the two major news-film agencies do not exude an aura of power and prosperity. Their offices are modest, their senior executives are accessible. Visnews and UPITN exist mainly as outlets for the services of their owners, but they themselves do not earn great profits. The practice is not very profitable anyway. There are too many stations which can afford to pay only very little, and the costs of communication as well as production are inhibiting. For that reason CBS Newsfilm has reduced its international operations and rationalized the ones that remain. For Reuters and UPI, however, Visnews and UPITN are logical extensions of their interests in news and communication. Their involvement in the news-film agencies may also help sell their basic news services in some parts of the world, perhaps through package deals. For the BBC and ITN the news-film agencies are extensions of their own news-gathering interests, and they are also distributors of BBC and ITN film. In this way Britian continues to play an important role in world news dissemination, in film as in basic news, but at the same time it reinforces western control of the news system outside of the communist countries.

4. And Other Spin-offs

The agencies utilize skills and facilities which have a general applicability in the media field. The knowledge which is tapped for general news services is useful also for publishing in other forms, and in the practice of espionage. The communications infrastructure can be sub-leased when it is operating at something below maximum capacity.

In the publishing field, a typical example is the book produced by Reuters in the late 'sixties on Africa, "Reuters' Guide to the New Africans",[25] a data analysis of contemporary politicians and socio-political facts. Contributions were by the agency's own correspondents. But it was not considered to be a very successful venture and has not been followed up. AP regularly produces an annual volume, "The World in 19...", which gives a photo-journalistic account of the year's major news events. In its first experimental year (1964), some 100,000 copies were sold. The book is a product of AP's special Books Department in New York, and is sold primarily through newspaper clients who buy in bulk and resell or even give away to their readers. The newspapers can add their own localised inserts, or have their names printed on the front cover.

Reuters signalled its intention in 1973 to adopt a tougher marketing approach in the application of existing information and technology when it appointed a Marketing Manager of Reuters' News Division, who was responsible, amongst other

things, for the audio service, the sale of 'profiles' of newsworthy personages for media library use, and the Extel teleprinter service. This last was an ill-fated attempt to market the new teleprinter of Extel Corporation (U.S.A.) in Europe. The executive appointed to the new post was Michael Marsbridge, formerly marketing director of Illustrated Newspapers and former senior marketing executive of the Thomson Organization.

In the educational field, AP has tried to boost the sale of its simplest one-machine ticker service by offering it to schools as an educational device. In 1974 it put out a package which it called the "AP Newspaper Reading Skills Development Programme", a kit including 150 article cards, 100 project cards, student log book, test pads, questionnaire forms and a teachers' manual. The project was developed jointly by AP Newsfeatures and Curriculum Concepts Inc., an educational consulting firm, and in conjunction also with the American Newspaper Publishers Association Foundation, which provided consultation and technical assistance. The primary objectivies of the programme are "to improve the reading comprehension skills of high school students of all ability levels, and to develop the newspaper reading habits among teenagers". This AP project therefore combined the virtues of educational philanthropy with shrewd long-term business interest. The activity file card of the kit, for example, "contains 100 projects and activities that enable students to become closely involved with their local daily newspaper through researching of issues, observation

of trends and analyses of material found in daily newspapers".[26] The kit was designed for sale through the client-members of AP, who had the option of purchasing it at a cost of $75 a unit, or giving it away to local schools, or of selling them to their local schools at actual cost. AP also produces an annual sports almanac, through the participation of around 400 of its members who contribute material.

UPI has gone into publication of major news stories or of documents related to them. For instance, it published an "impeachment report" in paperback, in conjunction with the New American Library Publishing Co., within 72 hours of the final impeachment vote by the House Judiciary Committee in the final stages of the Watergate saga. UPI and its associated enterprise, Newspaper Enterprise Association, offered the book to any of their respective subscribers who wished to offer it to their readers as a public service.

Not all UPI's spin-offs have been quite so innocuous. In the Summer of 1963, Senator Fulbright and the Senate Foreign Relations Committee looked into the "Activities of Non-diplomatic Representatives of Foreign Principals in the United States" - in other words, the public relations and lobbying activities that took place at Government level in America at the behest of foreign clients. The committee heard how INS before its takeover by UPI turned over its reporters to commercial clients who paid a fee. Clients would indicate the questions they wanted reporters to pose

to certain sources. For additional fees, INS placed clients' material on the news wire. Latin-American dictators were prominent amongst the clients. But UPI was involved even more directly than this:

> "UPI for at least a generation, had had a Special Service Bureau which also made its reporters and photographers available to non-journalistic clients. It has now stopped this. There is no evidence that UPI ever put the client report on its news wire."27

Earl Johnson, then editor of UPI, said later that UPI would let reporters and subject know when the inquiry was made for a private client, that it would undertake no tasks for foreign governments and that client material had never been put on the UPI wire and never would be. The public relations operation was transferred to an outside commercial organization after the hearings. UPI Special Service assignments, it emerged, had been undertaken by Washington correspondents on behalf of corporations and publications, both domestic and foreign. Some UPI correspondents did not know of the Special Service bureau's existence until they read about the Fulbright hearings; neither did many senators. In state capitals, UPI Special Services had contracted to ask key state legislators their intentions on banking legislation, on behalf of a non-journalistic client with interests in banking laws. The bureau was found to have taken no responsibility for who the clients were, and reporters did not know who they were working for. Furthermore, two UPI editors were found to be beneficiaries of the sources whose material they put out as part of the UPI service.

Sales Director of the UPI Special Service Bureau was John Nagel, who had been director of INS Special Services in 1956. UPI had other contracts with public relations agencies taken over from INS, but Earl Johnson said that less than a tenth of one per cent of UPI's money came from this activity.[28]

In this kind of informational service, as in other forms of espionage, it is not the news service that is put at the disposal of non-media or media clients, but the news-reporting. This means that some information is made available to certain clients and not others, on an absolutely exclusive basis, and this contravenes the general principle to which the major agencies have paid lip service for much of their history - that information should be distributed equally to all clients.

Naturally we cannot know much of the activities of intelligence personnel within or upon the structure of the western news agencies. In the case of the CIA, it is difficult to believe that amongst the many other involvements of that agency after the war - in labour unions, cultural organizations, newspapers and magazines etc., the news agencies should have been entirely neglected.

The history of CIA involvement in the press was the subject of an article by Stuart H. Loory in Columbia Journalism Review in 1974.[29] Mr. Loory records how in answer to requests for information from the New York Times and Washington

Star - News in 1973, William E. Colby, CIA Director, revealed that the CIA had "some three dozen" American newsmen on its payroll at that time, including five who worked for "general-circulation news organizations". It was subsequently reported in the Star-News that the CIA was going to fire those five men. The CIA received private queries from several news organizations about the involvement of their employees. Not all the organizations received full assurance that their journalists were uninvolved:

> "While Colby gave assurances to some organizations, he refused to even talk to representatives of others. United Press International and CBS could not get beyond the CIA's press contact."
>
> "Ronald E. Cohen, UPI's Washington news editor, also called Thuermer (the CIA's press contact), who refused to amplify the Johnston story. Cohen left pnone messages for Colby, who did not return the calls."30

Cohen had no success. He wrote a memo to UPI in New York and let it go at that.

Loory's article is tantalizing, but relatively unfleshed. Talking specifically about CIA relations with news agencies, he mentions the "unlimited amounts of money available to buy, as the agency did, the services of newsmen working for Reuters, Agence France-Presse, Tass, Hsinhua, (the Red Chinese news agency), and the staffs of dozens of newspapers spread around the world". He follows this up with a hypothetical example from an unnamed source, quoting how the CIA might plant an untrue story with Reuters agency (feeding the story in through a European bureau, and using the services of a paid agent in the London HQ). The example

is not entirely convincing to anyone who knows the inner workings of the news agencies, even though it is not remarkable that an intelligence agency should want to use them (see below).

The tenor of Loory's allegations was repeated in subsequent evidence to the House Intelligence Committee in Washington. A committee report,[31] which alleged that there were 11 CIA agents posted abroad using the cover of American news organizations, with the connivance of those organizations, also claimed that the CIA had used the Reuter news agency as cover for its agents and to plant false reports. This elicited a quick response from Reuters general manager, Gerald Long, who said he still awaited proof that any Reuters service had been manipulated. It does appear odd that Reuters should be singled out for CIA use to the exclusion of the American wire services, and this prompts the suspicion that initial sources of information concerning this allegation were anxious to deflect attention away from American to foreign news organizations. A Washington Post story of January 1976 claimed that the CIA's major efforts in this field were in payments to correspondents working for foreign media, whose job was to get pro-American stories into their newspapers. One particular instance of such activity affects Reuters again, because the same story alleged that CIA money had been paid to the Latin American news agency, Latin, which Reuters helped establish and with which it still maintains close business contact. In addition or as part of such activity, it has also been

said that the CIA's attention to journalists concentrated on the stringer journalists, those who work for several media organizations and have a self-employed status. The CIA has admitted its use of such correspondents. When George Bush, who took over the directorship of the CIA early in 1976, promised that the CIA would not enter into any relationship with full-time or part-time journalists accredited to U.S. news organizations, he left himself the option of recruiting both non-American and American reporters who worked for foreign news organizations. Moreover, the possibility of institutional arrangements with news organizations, executives, bureau managers, and administrative personnel, was left open. A further tightening of CIA regulations in November 1977 likewise failed to allay suspicions. These appeared to exclude CIA recruitment of all news personnel bar non-journalists recruited with the approval of their management, free-lancers and employees of foreign news organizations. But the door was left open for exceptions to the regulations in the event of specific approval of the Director of Central Intelligence.[32]

In the present study, no special attempt has been made to examine the issue of espionage. Several respondents volunteered the information that the buying of agency personnel by intelligence organizations 'was a problem'. The respondents happened to be UPI and AFP personnel, but it is unlikely that any special significance attaches to that. Use of agency personnel for real 'dirty' work

seems on the face of it unlikely. Agency work is actually quite constricting, very much of an office job, involving team co-operation, and personal availability. Espionage work for agency men would be more likely to be of the 'soft' information-gathering variety, which is in any case what journalism is all about. However, relatively few agency men have good (in the sense of more than superficial) contacts at high levels - contacts that would elicit something more than routine information. Agency men might be used to 'plant' stories. But this might be better and more conveniently achieved from <u>outside</u> the agency. After all, governments and other news-sources misinform as often as they inform. There seems no special need to get a <u>journalist</u> to make up the story, especially because the risk of his being discredited is so great. Having co-helpers inside an agency might help - but might also be redundant. The most likely use of agency personnel in espionage is this: to find out what has <u>not</u> been sent over the wires for public distribution. Such information is not necessarily sinister, simply of insufficient newsworthiness, or lacking the suitable 'peg' for future use. This kind of access to information which is organizationally routine but publically unavailable has been known to interest the CIA, and no doubt other intelligence agencies. Loory himself quotes two examples where the CIA sought access to such routine organizational information.

A sharp contrast to the possibility of covert intelligence gathering as one form of agency diversification was the joint AP/NBC News operation established in February

1978 for national public opinion polling, for use in each organization's news output. For AP this represented a further application of its recently expanded computer technology.

One other area in addition to covert intelligence, which is not talked about too openly in agency circles is sub-leasing. Reuters, UPI, AP to a lesser degree, AFP hardly at all, have increased the extent to which they handle the international communications for other media. Reuters' largest contract is for the handling of the New York Times News Service. But both Reuters and UPI have extensive arrangements with individual newspapers whereby correspondents for these newspapers will use agency communications to file their stories home. The arrangements also apply to other, smaller news agencies. This was the case, as we have seen, of the short-lived Asian News Agency, which filed through the Reuters' communications network. In the domestic U.S. market, AP and UPI also handle the distribution of certain syndicated material.

The main advantage to the agencies is that it helps them utilize spare capacity on their leased wires. It is also a way of establishing more cordial relations with clients or other media, although these relations are often initiated on an entirely local level, by an individual news correspondent and an agency bureau chief.

For the newspaper concerned this arrangement usually means

either that communications are cheaper, or at least that they are more convenient. They are likely to be cheaper where the agency has a full-time leased wire, and the newspaper has nothing. It is the advantage of convenience that matters when it is a question of the agency office being a more convenient and pleasant place from which to file stories. This happens in times of crisis when other communications may not be available. But it is often part of a broader relationship between individual newsmen, which may allow the newspaper correspondent access to the agency wires as well, so that he can keep well informed.

The disadvantages are that in times of emergency or crisis the agency may not have the communications capacity or the staff to deal with the communications of other media. At times like this the agency's interest must come first. The other main disadvantage is that when a newsman files through an agency the agency must come to know about the copy he has written. In other words it is inadvisable to send a scoop through an agency network. Here again this difficulty can be solved in practice by good relations at the local level.

A telephone survey, conducted by the author, of foreign editors of British national newspapers in the Summer of 1974 found that editors of the more serious minority-circulation daily papers were much more likely to use agency communications than the popular press. The main reason for this is that the minority papers print much more

foreign news, both absolutely and relatively, than popular papers, and they have many more correspondents overseas. Popular papers tend to cover stories on a 'crisis' basis, and they are more likely to be scoop-oriented and prepared to put a lot of money into coverage for short periods. So rather than go through an agency they will normally prefer to use hotel telephone or telex. They will use the agencies where communications are really problematic - Beirut was mentioned twice - but the main purpose will be to save time, to avoid the delays of the public system, rather than to save money. A saving is sometimes made even where it may not be the primary purpose - from Cairo for instance, when the local correspondent will send only one-hundredth or less of the material it would be necessary for him to send to make it worthwhile for the paper to set up a direct telex line of its own. The main agencies involved in sub-leasing, both for minority and popular papers, are Reuters and UPI (although UPI is not only used by papers which happen to subscribe to its services). One paper rented a 24-hour transatlantic circuit from AP, which the American agency was not using at all. Minority papers were more likely to mention the savings made: one said that agency transmision cut foreign news communication costs by as much as 50%.[33]

PTT's in Europe (in line with ITU recommendations), do not generally permit sub-leasing of circuits for profit. But third party use is permitted, with qualifications. A line between two companies which have a straight business

connection would normally be allowed, or if one firm had a majority shareholding in another. In the case of the agencies, they can argue that their handling of communications for smaller media organizations is in the way of normal business co-operation, and very often this is all that it amounts to - but not always. The amount of revenue the PTT's stand to lose is an important factor in their overall attitude; so far they have not decided to move on this issue, although they have resisted the lobbying for concessionary rates for press use of leased circuits, up to the time of writing.

Summary

Within the media field there has been considerable agency diversification. The original newspaper market potential was in effect doubled with the introduction of wirephoto for the U.S. agencies. Developments in the delivery of basic news services, e.g. teletypesetting and datastream, have important implications for the use to which these services can be put by clients, and qualify for consideration as almost different kinds of service, and these will be further considered in the next chapter from the viewpoint of editorial control.

Away from newspapers, but within the media market, the most important developments have been in the fields of radio (teleprinter and voicecast services), and television (news-film). Little has been said about the potential

of agency services for innovations such as CEEFAX or ORACLE in the U.K., though clearly these may represent a growth market in the future.* On a smaller scale, news-gathering and communications resources of the agencies have been exploited for publishing, espionage and sub-leasing of facilities.

The more sophisticated the technical developments in the news-agency business, the greater the agencies' overall significance within the media world. Only the agencies are large enough to want to employ high-speed transmission, computerization, information storage and retrieval for news, on this kind of scale. It puts them further and further ahead of anything their media clients are likely to develop for themselves, and for that reason increases clients' relationship of dependency on the agencies, and exacerbates the traditional structural imbalances of agency market-orientations.

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THE WORLD-WIDE NEWS AGENCIES:

DEVELOPMENT, ORGANIZATION,

COMPETITION, MARKETS AND PRODUCT.

A Study of

Agence France Presse,

Associated Press,

Reuters and United Press,

to 1975

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by

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Volume Two

CHAPTER EIGHT: Inter-Agency Relations, and the National News Agencies

There is an important sense in which the global agencies do not control the distribution of their own product to newspapers and broadcasters, since between the global agency and any particular client often stands the national agency in the role of local wholesaler. In many countries of course the global agencies deliver direct, or within any particular country some do and some do not. In a substantial proportion of all cases, however, and especially in the Third World, delivery is indirect. Where dependence on the global agencies is already great, therefore, the responsibility of news choice by an individual media organization is often further reduced by the intervention of a third party.

The incidence of indirect distribution has been discussed in Chapter One. Here the concern is with the national news agency more generally and its typical relationship with the global agency, for this relationship is fundamental in any understanding of world news flow. Since the relationship is in its turn reflective of the relations between the global agencies, some attention is given here to the process whereby the global agencies helped spawn many of the national news agencies, and to the reasons why the global agencies were able to sustain their superordinate position.

What is a national news agency? There is not always a clear

distinction between national, international and world-wide agencies. Much depends on the extent of any particular agency's news-gathering operations, its selling operations, and the kind of news which is gathered.

A national agency may be thought of as one which collects national news of its own country, often takes international news from other agencies, and distributes national and international news to the media and other clients of the country in question. Some national agencies employ their own foreign correspondents, and these complement the service taken by the national agency from other agencies. Where this happens, there are two outstanding characteristics to be recognized as true of most national agencies. Firstly, the number of foreign correspondents employed by the national agencies is generally very small, and they are often posted in capitals which have a special political, economic or cultural relationship with the country of the agency. Secondly, the news collected by these foreign correspondents is news of specific interest to the country of the agency: for instance, news about the activities of a countryman's overseas business operations; the foreign travels of a local dignitary; or news of emigrants from the agency's country to the country in which the correspondent is posted. Most national agencies do not sell their services abroad on any sizable scale. They may have exchange arrangements with other national agencies. Indeed, they will usually have exchange arrangements with the international or world-wide agencies; but these are

unequal exchanges - they serve merely to cut the cost of the international services. National agencies are very often, but not always, government agencies. They may be run by the Ministry of Information or heavily subsidized from government sources. Otherwise, they tend to be co-operatives owned by the media of their country; or perhaps by both the government and the media.

National agencies are very often virtual monopolies in their respective countries. The degree to which this is so varies. For example, it is particularly common for a national agency to have an actual monopoly on the collection and distribution of national news. This is true for instance of the Press Association in the U.K.; nobody has declared that the PA must be a monopoly - but it developed that way. It is a monopoly in a restricted sense: namely, there is no other organization that performs the same function as the PA, or on the same scale. This function, it must be stressed, is twofold, and encompasses collection <u>and</u> distribution on a national scale. Other U.K. organizations claim to <u>collect</u> U.K. news on a national scale (the BBC for example), but no other organization can claim to <u>distribute</u> national news, on a wholesaler basis, as widely or extensively as the PA. There are numerous smaller agencies which specialize in certain geographical areas, or certain kinds of news, but none would qualify as a 'national agency'. The PA's virtual monopoly situation can be explained by two factors. First of all, the PA was really designed as a monopoly by its owners, who were the regional daily news-

papers of the U.K. Secondly, it is often difficult to make money as a news agency, and the PA, because it aims only to avoid making losses while serving its member papers to the best of its ability, can survive market conditions better than most possible alternatives.

Frequently, smaller and more specialized agencies exist alongside a national agency as we have seen. The distinction between any of these and a national news agency varies, and is sometimes difficult to determine with absolute certainty, so that it may be said that a real degree of competition exists. There is more competition in France, for instance, than in the U.K.

These then, are component characteristics of a 'typical' national news agency. Some agencies are less elaborate; some more so. Some, for example, can hardly be said to have an elaborate domestic news-gathering function. This is often because there is little demand for such news because there are hardly any media, or that if there are, the media are metropolitan rather than <u>national</u> in outlook; or simply because the infrastructure required for an efficient domestic news-gathering operation is not available. When this happens, agencies exist primarily to redistribute international news collected from international news agencies.

At the other end of the scale there is the national agency which employs a large number of foreign correspondents

who do not confine themselves to reporting events of interest only to their own country but engage in general reporting; an agency which aims not simply to sell news to domestic news media, but also to media of other countries. In the introduction these were described as 'international' as opposed to 'global' or 'world-wide' agencies. Such agencies include, as foremost examples, DPA and Kyodo of West Germany and Japan respectively. Both of these agencies tend to distribute their services internationally, and these services contain a relatively high proportion of general news. However, they have not been considered along with the other world-wide agencies in this book, because their international sales are not quite as extensive (in the case of Kyodo they tend to be limited mainly to the South East Asian region, and then on an exchange basis); and their news-gathering still tends to be concentrated on the needs of the domestic market or on a particular world region.

A study of international or worldwide agencies must take into account the national news agencies. This is because national news agencies are a source of a good proportion of the global agencies' total overseas revenue; and because through the national agencies the global agency news services are distributed to media which otherwise would not or might not receive them. The national agency is in a sense a convenient revenue device, whereby revenue is assured the global agencies from media which individually might be unable to afford global agency

services, but which collectively or through government help, can afford them.

The development of global-national agency relations closely reflects the global political configuration at the time of their emergence. From their earliest days the activities of national and international agencies have been closely interconnected. Both emerged in response to much the same stimuli, and indeed, historically they are part of the one phenomenon. Factors of origin which they share include: the emergence of the large circulation newspaper, international trade and investment, the electric telegraph, and the development of national governments which had some tie of accountability to their respective populations. Those agencies of countries which had over-seas territories that were extensive enough to permit direct communication between them and the national capital of the imperial country, tended to be international in scope, while those agencies of countries with few imperial possessions or none, remained national in scope.

The most powerful agencies emerged from the most powerful imperial powers of the second half of the nineteenth century: Reuters in Britain, Havas in France, Wolff in Germany. Germany did not do well in the race for colonies, and of course Wolff was the weakest of the triumverate in terms of international relations, but both the country and its agency had considerable influence in Central Europe and the Austro-Hungarian empire.

Britain, France and Germany were thus the countries which benefitted most in the period of European territorial imperialism after 1870. But by far the most important imperial power was Britain, which collected territories in Africa, Southern Asia and the Far East which amounted to four and three-quarter million square miles, and an estimated 88 million people. By 1900 the British Empire covered one-fifth of the land-area of the globe and included something like one quarter of the world population.

It is in terms of this incentive and facility that Reuters must be seen as the dominant agency of its time. Havas may have been wealthier, but its international scope was never this extensive. France was however the second imperial power, with territories in Africa and Indochina covering 3.5 million square miles, and 26 million people. Coming a long way behind was Germany, with one million square miles and 13 million people, mainly in Africa.

The exclusive character of cartel agreements reached between the agencies were by no means typical of imperial trade generally. Cohen argues that colonies never became exclusive markets, that the major states never found it difficult to trade with the colonies of their rivals and that, conversely, colonies always bought wherever cheapest, and sold their raw material and foodstuffs freely to the highest bidder.[1]

Indeed what the cartel shows above all is the great import-

ance each agency attached to news of the territories covered by the others. Then as now the greatest need was for news of other major powers of the world, rather than news of economically primitive dependencies. In only two countries, (the smaller imperial powers of the period - the United States and Japan), did trade with overseas dependencies ever account for more than half of the total trade. In the case of the three most powerful imperial countries such trade was surprisingly small as a proportion of the total though accounted for a higher proportion of Britain's trade than of the trade of its nearest rivals.

In other words, the major states traded with each other and non-colonial areas more than they did with colonies. The country which engaged in most trade of this kind was also the country which sustained the most globally extensive agency: Britain. A similar pattern emerges from figures of overseas investment. Britain invested about $12 billion between 1870 and 1913, and her total net foreign assets at the beginning of the First World War were about $19.5 billion, or nearly 25% of the country's total wealth. France invested about $8.6 billion, or about 15% of the national wealth; Germany invested $6.7 or about 7.5% of the national wealth. Most of this investment was not to the colonies. 52% of Britain's foreign long-term investments were outside the empire, mostly in the United States and South America. Of the 7.3% of long-term investment in the empire, however, most of it was in areas cultivated early on by Reuters: Australia and New Zealand,

TABLE NINE

COLONIAL TRADE OF MAIN IMPERIAL POWERS AS SHARE OF TOTAL TRADE[2]

Country	Years	% Imports	% Exports
Britain	1894-1903	21.27	30.42
	1904-1913	25.71	34.75
France	1894-1903	9.86	11.20
	1904-1913	10.58	12.61
Germany	1894-1903	0.10	0.35
	1904-1913	0.37	0.62

Source: Cohen, B. (1974)

South Africa and India (31% of all foreign investment). But the largest single area of overseas investment was a country not particularly important in the Reuters network: Canada and Newfoundland, which accounted for 13.7% of all investment.

Given the pattern of overseas trade and investment, Reuters' concentration on Empire is a matter for further explanation, since after all economic news was a very important aspect of the news business. The agency appears to have entertained a bias in favour of empire that was not justified by the facts of trade and investment. America and South America were given surprisingly little attention, even while Britain's competitive position within the United States fell substantially in the period 1870-1913.[3] Reuters agreed that South America should be Havas territory, and Havas rather than Reuters maintained coverage of that continent. Reuters did have the most important link of all European agencies with the North American agencies, situated as it was between the two continents, and it negotiated with American agencies on behalf of the triumverate While the AP was charged a cash price for the European service in addition to exchange of services, Reuters made virtually no attempt to establish itself as independent agency there in sales terms.

What was the cause of Reuters' preference for empire? Perhaps there is a clue in the fact that empire investments were more stable than those in, say, America, because they

were government investments rather than commercial.[4] But perhaps it was that news of North America or South America was welcome so long as it was news and was delivered through a trusted business associate. In other words, it did not matter too much that some other organization had collected it. After all, news of much the most culturally and economically important parts of the world, in the eyes of British interest was left very much to the agencies of Germany, France and America. News of the empire, however, would get no public coverage unless from Reuters. It was a particularly accessible market because of communications and cultural links; and it was a monopoly market.

The overseas long-term investments of France and Germany were even less imperial than those of Britain (8.9% for France, 12.5% for Germany), but unlike Britain which used Europe for only 5.8% of its investments, these countries invested heavily there (61.1% in the case of France, 53.2% for Germany); they invested between 30-34% of their overall long-term investments up to 1914 outside both Europe and the colonies, split fairly evenly between North and South America. The concentration of investment in Europe may help explain why both Wolff and Havas confined their major expansionary efforts to that continent while Reuters soon gave up an independent European position. French investment in Europe was as high as 70% of all long-term investments in 1900, and declined after that date only because of investment in South America and the French Empire.[5] German investments were considerably lower

than French mainly because interest rates were higher in Germany than in either France or the U.K.; and in line with Germany's comparative rate of long-term investments, Wolff's operations overseas or through the rest of Europe were similarly retarded.

The foreign activities of the French and German agencies therefore appear to be in line with the distribution of long-term investments by their respective countries. The right of Havas to the South American market, however, appears in retrospect a generous concession by Reuters, since Britain had a greater and earlier investment there than the French. And while Reuters expansion seems to have favoured imperial rather than simple trade or investment interests, British investments were also noticeably overseas, away from the continent of Europe in a way which the investments of the European countries were not. It can be assumed that the laying of a global communications network was an advantage in the gathering and transmission of news from both imperial and non-imperial overseas territories.

The activity of the agencies is not noticeably related to the incidence of migration from these countries in this period, of which half was to the United States and much of the rest to Canada, Argentina, Brazil, Australia, New Zealand and South Africa.

Britain's share of world trade already began to fall in the pre-World War One era. Moreover, her share of world

manufacturing production fell even more sharply. In 1870 its share of the world's production was more than two-thirds the combined shares of the United States, Germany and France, but by 1913 this ratio had fallen to less than one quarter, and manufacturing output in the United States alone was more than two-and-a-half times the United Kingdom's.

Germany was perceived by Britain to be a greater threat than the United States, however, partly because America's exports tended to be complementary to rather than competitive with the United Kingdom's, and tended to concentrate only on certain areas, such as Canada and South America. The climate of competitive anxiety at this point in Britain was not one therefore that would have encouraged Reuters to take particular notice of the American threat. In fact, U.S. tariff barriers affected British exports to the American market far more than did increased U.S. competition on neutral markets.

The United States did not enter the race for territories until the early twentieth century, and then concentrated its attention mostly on the Pacific. This was the time when the American agencies were also beginning to expand their overseas news-gathering and distribution networks, but their expansion possibly had more to do with the upturn of U.S. foreign investment at this time, which by 1913 reached $2.5 billion. Of these, some 40% were in Mexico (cultivated by AP from before World War One), 30% in Canada (also a market for American agencies from early

days) and much of the remainder in Europe.

Control of major news markets by the European triumverate of course began to decline after the First World War. The German agency continued after the war, but its overseas markets and its privileged place in the cartel agreements were largely destroyed. In the inter-war period, Reuters and Havas lost out to the American agencies in South America and in Asia, and to a limited extent in Europe. The rise of the American agencies and the relative decline in the fortune of the European agencies in their role as distributors of news for the world certainly seems to correspond with relevant changes in the American economy and its economic involvement with the world. During the First World War, the United States ceased to be an international debtor, and by 1922 had become a net creditor for about $1,200 million, apart from large sums owed it by major foreign governments on account of loans for finance. On the other hand, British foreign investment had been reduced by 25% in comparison with pre-war figures, and French by 55%. By 1930, U.S. investments abroad (apart from war debts) were four and a half times those of the British.[6]

Although North American expansion was not initially perceived as threatening, it became so after the First World War, since by this time two fields in which America was especially competitive - machinery and motor vehicles - were amongst the few expanding export markets.

Because of Britain's declining position after the War, the imperial market for investment became proportionately more important than it had been before the War, reaching 59% by 1930. Of non-imperial investment, Latin America accounted for well over half, while the United States took only 5.5% (a slump from 20% in 1913).[7] Europe's share rose. This investment position helps to explain Reuters' increasing anxiety: not only was it facing invasion by the U.S. agencies, but in areas which were becoming more important to Britain rather than less - the primary producing markets. While South America became a more important area of British economic concern, foreign agency 'propaganda' was an increasing cause of frustration as was the traditional dominance there of Havas. And as U.S. agencies expanded in South America, British holdings there still outweighed American, even until the Second World War.

News-Flow as News-Exchange

The concept 'imperialism' denotes an imbalance of power relationship between nations. The first agencies emerged in the countries of nineteenth century imperialism, and their relationship with agencies of other countries was and is to some extent still a reflection of the imperial balance of power.

It should be understood, however, that this imbalance was not often unidirectional. The agencies did not everywhere impose their own news-gathering and distribution machinery.

Rather, they established relations with local independent agencies. The essential characteristic of this relationship was the principle of news-exchange which it embodied, although the exchange was rarely equal.

The flow of international news therefore involved and still involves a multiplicity of distinct organizations and lack of editorial control. Despite this fact, the weaker members of the network could not act with sufficient unanimity to put countervailing pressure on the stronger members and thus achieve a lasting equilibrium of influence. The great possibility - creation of a truly international news organization, acting as a single body with no concessions to particular national interests or pressures - was never realised.

Instead, co-operation between agencies has tended to reflect both 'economic necessity', often at the cost of editorial control over the use to which news is put and the quality of the news which is received, and the state of diplomatic relations between the nations of the agencies which are partners to the agreement.

Early Exchanges Between the Global Agencies

News-exchanges began very soon after the initial emergence of the agencies. The first agreement was in 1856, between Reuters and Havas, and was confined, significantly, to news of trade and of stocks. The agreement was widened to

include Wolff by 1859, and in subsequent years incorporated larger geographical areas and broader topics. Havas furnished news of France, Spain, Italy and the Levant; Wolff's part of the agreement was news of Germany, Russia, Scandinavia and the Slavonic countries; Reuter provided news of the British Empire.

The primary purpose of the agreements was to reduce the cost of foreign news-gathering, at the same time as protecting markets. The partners to the post 1870 agreements were to sell their news services only in what by common consent were their own spheres of influence. Outside these spheres they would sell only to the other partners and to no-one else. These early agreements did not usually forbid the collection of news in each other's territories, only the sale of news. But in practice most of the news-gathering in any area was left to the agency whose particular sphere of influence it was, and which would probably enjoy privileged access to major political, military and economic sources. So in St. Petersburg, for instance, where before 1859 Reuters and Havas had maintained their own correspondents, Wolff now collected Russian news which became part of the news package it exchanged for the services of its partner agencies.

The 1859 agreement did allow the agencies to retain clients they had gained before that date in rival territories. As it happened, Reuters had a considerable clientele in Germany, and even after 1859 it expanded its

news-gathering operations in Hamburg, Frankfurt, Hanover and Berlin. This expansion was not favoured by Bismarck, who persuaded the King of Prussia to raise the necessary capital to back Wolff's Continental Telegraph Company with State support. Bismarck's hostility illustrates both the political advantages that Governments both then and now perceived in the idea of a single national agency susceptible to State pressure, and the fragile character of the agency agreements.

In this period of the early 1860's therefore, harmony reigned between Reuters and Havas, who together maintained a joint office in Brussels (and which later spouted sub-branches in Antwerp, Ghent and Bruges), while there was considerable friction between Wolff and Reuters. Wolff expressed this in the most significant way, when in the mid-sixties, the newly laid Atlantic cable required some form of agency co-operation to meet the expenses of getting American news. While Reuters negotiated with AP of New York, Wolff initially signed a deal with the Western AP of Illinois.

Inside German territory, state control of communications discriminated against Reuters telegrams, which were labelled 'private' and therefore of relatively low priority, whereas the telegrams of Wolff and its allied agency, the semi-official 'Korrespondenz-Bureau' of Vienna, were given more immediate clearance. Since Wolff's agency was the agency of Prussia Reuters did well in those areas which resisted Prussia's drive for unification, of which Hamburg was one.

Here it signed an exchange agreement with the local agency of Bremen. It had a lead over Wolff in the provision of overseas prices from America, the West Indies and the Far East. To increase this lead still further it expanded into what before had been exclusively Wolff's foreign territory, by establishing contact with the earliest of the Scandinavian territories, Ritzaus of Copenhagen.

The advantages of oligopolistic alliance were clearly more attractive than the dubious risks of international competition But this alliance, consolidated in the agreements between all three agencies in 1870, formalized the inferior position of the German news agency as a source of international news. Wolff's acceptance of this status was bought by Reuters' agreement to free the German market for Wolff's monopoly control - clearly a highly desirable objective both commercially and politically.

The agreement recognized Austria, the Scandinavian countries and Russia as territories suitable for Wolff's exploitation. But in return, the Germany agency would pay a considerable sum to Havas and Reuters annually. Reuters agreed to close its German and Austrian offices, with the exception of Hamburg which had been the most prosperous of the overseas markets, and where it remained until 1900. Havas' right to the markets of France, Italy, Spain and Portugal was confirmed, as was Reuters' right to England, Holland and their dependencies.

The apparent harmony established between the three agencies by the 1870 agreement was in fact immediately disrupted by the consequences of the Franco-Prussian war. Unnerved by the possibilities for Wolff which the Prussian victories opened, Havas sought to strengthen its ties with Reuters. There was even talk of Reuters' buying up a considerable share of Havas, but this plan was dropped with the rapid recovery of France, and of Havas. Instead the agencies agreed to a 'joint purse' arrangement under which all profits from all sources would be shared.

This was perhaps the nearest thing to a truly international agency ever conceived, and it failed. Reuters broke the spirit of the agreement when it embarked on an ambitious telegram operation between South and North America, the West Indies and Europe. It should have been a booming success, but totally incompetent management turned it into a fiasco after only one year. When Reuters presented Havas with a bill for the costs, the French agency was naturally displeased.

Changing diplomatic interests of Britain and France further removed the chances of a lasting partnership of the kind envisaged in the 'joint purse' agreement. Disraeli's agressive near east policy in the mid-seventies onwards for instance brought about renewed struggle for the markets of Turkey and Egypt, where before the agencies had acted on a joint basis. As British influence was established in Egypt, Reuters became its leading internal

agency. Eventually Havas withdrew entirely from Egypt (in 1900) in return for a financial compensation from Reuters and the promise that dispatches would still be headed 'Reuter-Havas'. This was but one aspect of the imperial scramble for Africa which further intensified the identification of agencies with the policies of national governments.

Conflict between Reuters and Havas was partly solved through the device of extending the 1870 agreements, which by 1876 recognized Australia, the West Indies and the Far East as territories normally reserved for distribution by Reuters, while Reuters gave up all claim to the South American market, and Indochina, which were to be recognised as Havas territory.

But precisely because Wolff was not the most active participant in the scramble for overseas territories, Reuters was inclined to move closer now to the German than to the French agency. In 1887 Wolff and Reuters signed an 'offensive-defensive' alliance providing for joint action in case the renewal of the 1870 agreements, scheduled for 1890, could not be accomplished. In the same year as the alliance, Francesco Crispi, the Italian Premier, discussed with Bismarck how the agencies of the Triple Alliance Powers - Stefani in Rome, Wolff in Berlin, and the Korrespondenz-Bureau of Vienna - could combine to crush the dominant position of Havas in Europe.

Although Reuters' first reaction was to avoid such a polarization, for fear that the conflict would cut it off from its primary source of continental news, it evidently considered enmity with Wolff a more serious possibility. The success of the pact depended on the joint operation by Wolff and Reuter of bureaux in Rome and in Paris, since neither could expect any co-operation from Havas. Stefani in Rome had initially been an ally of Havas, but now sided with the Germans.

Except in the very early days, when Reuter himself had worked with Wolff in the Paris office of Havas, there had been no experience of such close co-operation between the German and British agencies. The joint offices were not successful. Crispi did not permit Stefani co-operation in the end, for fear of retaliation from Francophil interests in Italy; while in Paris the alliance agencies could not hope to compete for news with Havas on its own ground.

The pact failed, and the 1870 agreements were renewed after all by the original triumverate in 1890. The renewal merely confirmed each agency in the 'territories' it had already acquired. Havas made a bid for the right to distribute news in Russia, reflecting the accord emerging between Russia and France, in exchange for its Italian market, which in the light of the offensive-defensive pact no longer seemed such a friendly place. Since 1876 Havas had arranged with the Russian authorities to receive dispatches directly from St. Petersburg, rather than through

Wolff, and consequently it received its Russian dispatches several hours in advance of those going via Berlin.

But its bid for the Russian market was not recognized; the alliances between the agencies were not quite as fickle as those of their home governments; and markets once gained were not readily relinquished. One consequence of this state of affairs as we have seen was the promotion of State backing in Russia for a single national agency to counter the dependency on Wolff for foreign news, and this in turn laid the foundations for what was later to become TASS.

The 1890 agreement was further renewed in 1900. The essential character of the triumverate survived therefore for most of the second half of the nineteenth century, and continued up to the First World War in its original form, with consequences that lasted at least until the Second World War and in some respects until today.

The Satellite Agencies

The smaller European agencies allied themselves to members of the triumverate. They had no choice if they were to survive as credible news organizations, since there was nowhere else they could go for a comparable supply of foreign news if they were unable to collect it for themselves.

The triumverate both nourished and contained these smaller

agencies. The typical pattern of news exchange was already established before the 1870 agreement. Havas had a relationship with the Italian agency Stefani, based in Turin. Under the agreement between them, Stefani gave Havas the world monopoly on its Italian news, and undertook to transmit it directly to Paris and, if Havas so required, to Germany, Switzerland and England as well. It agreed to maintain correspondents in Rome, Naples and other major Italian cities. It would also transmit Havas news to subscribers of the French agency in the Levant.

In return the Stefani agency received the Italian monopoly on all Havas news, which meant that Stefani was sole possessor in Italy of a world news service. Alliance with the triumverate therefore automatically conferred a monopoly status on a smaller agency within its domestic market, an extremely attractive political and commercial proposition.

Wolff's most important ally was the Korrespondenz-Bureau of Vienna, founded in 1859, although this agency did sign separate agreements of news provision with the other agencies in 1869 and later, to offset the consequences of internal disputes within the triumverate. The Viennese agency acted as point of transmission between the Baltic States and Middle Europe, one of the most febrile areas of the world for much of the period leading up to the First World War. It maintained offices in the countries that were later to be known as Bulgaria, Rumania, Hungary and

Czechoslovakia, and with the development of national groupings within the Austro-Hungarian Empire, these branches were to become the head offices of new independent national agencies. One of these was the Hungarian agency, MTI, founded in 1881. The Czech agency, CTK, was formed after the First World War out of the old offices of Korrespondenz-Bureau in Prague and Bruhn.

In Spain, Havas and Reuter signed an agreement with Nilo Maria Fabra, director of an agency founded in 1865 under the title 'Bureau de Correspondance'. This functioned for several years under the common name 'Havas-Reuter', and when Havas' superiority in Southern Europe was formally recognized, as 'Agence Havas, Madrid'.

In no case was the importance of the triumverate to smaller agencies more apparent than in its relationship with the American agencies. Membership of the triumverate was the deciding factor in the victory of the Western AP over the old AP of New York. This crippled the development of a major rival agency in America, and when the second United Press was formed many years later, it had to struggle in a market in which the AP was already dominant.

Reuters was the most prolific in its encouragement or sponsorship of new agencies in this period. Before 1870, Reuters was first to approach Ritzhaus agency in Denmark, oldest of the Scandinavian agencies, founded in 1866, and one of the first national agencies. Ritzhaus began by

providing business information to banks and commercial houses, moving only gradually into general news. It also operated in southern Sweden, where the larger papers were its subscribers.

After 1870, the Scandinavian agencies co-operated more with Wolff, whose territory this had then become. By this time two new agencies had appeared: Norsk Telegrambyra (NTB) in 1867 for Norway, and Svenska Telegrambyra (STT) the same year for Sweden. The Swedish agency started primarily as a branch office for the distribution of news received via Ritzhaus from Wolff, later receiving some State support before passing into the hands of the Swedish press in the 1890's. The Norwegian agency was taken over by the Norwegian press, through the device of a joint stock company.

Reuters and Havas operated joint bureaus in Holland and Belgium. The main initiative came from Reuters, which bought up a local agency in Amsterdam, founded by one Alexander Dalamar. Dalamar's brother Herman took charge of the Reuter-Havas office in Brussels. A Swiss agency founded in 1895 maintained similarly intimate relations with Reuters and Havas. These two agencies together helped establish the Ottoman Telegraph Agency for news of Turkey in 1911.

Reuters was no less active outside Europe. Before World War One it formed the Eastern News Agency in India, on

the basis of two previous domestic agencies, and this was India's principal agency until Indian independence. In Japan, Kokusai, founded in 1914, was at first little more than a foreign branch of Reuters. After the failure of an indigenous venture by British newspapers in South Africa, Reuters established the South African News Agency, in which it held a controlling interest until the inter-war period. While Australian newspapers were able to support independent agencies, they still depended on Reuters for their supply of international news.

National agencies often emerged as the result of local initiative, in some cases almost as early as the triumverate agencies themselves. But since one of the most important functions of a national agency was collection of international news, it was inevitable that they quickly became linked in with the existing arrangements of the triumverate. The resulting relationship of inequality was sometimes expressed in the part-acquisition of the agency by the larger one, as we see happened in the case of Reuters and some of its satellites. At other times, Reuters took the initiative and founded its own agency. This happened wherever the local agency was too strong to want to enter into a deal with the triumverate. Since the triumverate agency needed an office in any case, to collect and if possible distribute news, it was an easy alternative to set up a local 'front' agency, and in that way to secure a foothold on the local market. This was quickly achieved wherever there was competition between scarcely-established local

agencies, which was the case in Holland until 1934 when ANP was established, and in Japan which did not have a single strong national agency until Domei was formed in 1936.

More commonly the relationship remained indirect: as a condition of the news exchange, and the domestic monopoly position it bestowed, the national agency was usually forbidden to sell its service to other agencies outside the cartel. After 1907, 'other agencies' invariably meant UP in practice, and between the wars AP and the German Transocean agency. UP tended in consequence to deal with some of the smaller domestic rivals of the triumverate agencies, such as Central News in the United Kingdom, or Extel, or Fournier in Paris.

It cannot be said that the large agencies participated in the foundation of the majority of smaller agencies at that time. Yet inasfar as the large agencies did at least half the job of the smaller agencies - namely, they collected and provided international news- the large agencies were very deeply implicated in the character of the smaller agency services from the start of their operations. The smaller agencies could not usually have called on a fraction of the resources they would need if they were to provide for themselves what they could buy from the European triumverate. Even if they could have found the resources, say from state coffers, they would still have been at a severe disadvantage in news-reporting

in comparison with the larger agencies. The political-economic character of the period would have demanded as a matter of the utmost priority an excellent service of news from the Parliaments, Governments and Bourses of Britain, France and Germany, and similar news from the territories those countries controlled or greatly influenced. It would have been impossible to compete meaningfully on the domestic ground of even one of these three. Wolff and Havas enjoyed privileged relationships with their own respective governments. Wolff and Reuter, as we have seen, found it impossible to compete successfully against Havas in 1887-1890 to maintain a joint Paris office. So what chance would a smaller agency have had? Reuters was less close to the British Government perhaps, but it had what was, all things considered, a respectable relationship and status which no other agency - especially a foreign agency - could conceivably have won. In British territories it might have been easier to displace the position of Reuters, but only with at least an equivalent service of British economic and political news, which a smaller agency would have been unable to obtain. Even UP of America could not displace Reuters, or the other partners of the triumverate. This agency got as far as it did only because of the spectacular home market it served.

Reuters was rather more sophisticated in its relationship with satellite agencies than either Havas or Wolff. Whereas Reuters sometimes took the initiative in starting up new agencies or buying up existing ones, such strategies

seem not to have occurred to its partners. One reason for Reuters' acumen in this very crucial marketing operation was the character of its own relationship at home with the Press Association, national agency of Great Britain. Reuters managed to have its cake and eat it: not to be encumbered with the problems of domestic news-gathering and provincial distribution, yet to derive a considerable share of its total revenue both from the London press and the PA acting on behalf of the provincial press.

Like the AP of New York and CP in Canada, the PA emerged as an act of protest by newspaper editors against the quality of news service provided by the telegraph companies. The service was expensive, it did not observe the requirements of its clients, and actually weakened their competitive position by selling to coffee houses and hotels as well - an early version of the 'continuous-use versus daily-publication' conflict that is still bemoaned by many editors in the face of news competition of radio and television.

Fortunately for the provincial press, the Government too suffered from the irregularity and inconsistency of telegraph company services; and when the PA exploited its considerable political influence in a campaign for the nationalization of the telegraph companies, it had a receptive welcome.

Almost as soon as nationalization of the telegraph companies was achieved and the PA was awake to its new power, it

approached Reuters for an exchange arrangement. The PA would be exclusive purchaser of Reuters news, but Reuters retained the right to supply its news directly to subscribers within a fifteen mile radius of Charing Cross. It was a period of rising costs but the PA succeeded in establishing an initial basis of subscription that did not exceed the charges of the old telegraph companies per newspaper. In turn, the PA was obliged not to accept overseas news from any other source than Reuters, with the exception of occasional items from private informants.

Reuters was never closely involved in the business of direct domestic news-gathering. The PA was its most important national news source, while in London it maintained some independent coverage. This distance from the home market may have been inspired partly by Baron Reuter's feeling of national difference. It was all right for a foreigner to be involved in foreign news, but problematic for one to have such influence over domestic news operations. He did not lose by this strategy. Much of the trouble that afflicted Wolff and Havas passed him by; yet he retained the wealthiest clients in the country. One single client, the PA, perhaps paying less than the provincial newspapers would have done separately, saved him a lot of expense; and protected the provincial market from the interest of foreign agencies, as well as containing the expansion of small domestic agencies like Extel and Central News to the London

area.

Global Agency Promotion of New Satellites

This close involvement of global with national agencies has continued throughout their subsequent history. Actual global agency involvement in the setting-up of national agencies has been a characteristic of post-colonial times as much as it was of colonial days. There is usually no question of an ownership interest; rather the involvement is considered in terms of mutual assistance between news organizations of the developed countries with their counterparts of the underdeveloped world. The two agencies most active in this context are Reuters and AFP.

AFP was heavily involved in both an advisory and a material capacity in the French African territories when these became independent. The national agency which emerged in these circumstances was usually the old branch office of the AFP, and was often staffed initially by the same journalists that had staffed the AFP bureau. The relationship was expressed also in terms of the special use made by the national agency of the AFP news files, though that dependence is less considerable now that both Reuters and AFP in Africa have made inroads into each other's ex-colonial territories. Even so, the revenue is usually greater for the established agency than for the non-established. That is to say, a French African country will probably use AFP as the primary foreign news source and pay it a higher sub-

scription, and use Reuter as a secondary source, paying smaller subscriptions. (Mutatis mutandis in ex-English territories.) Reuters has advised the governments of many countries in Africa and the Middle East about the setting up of national news agencies, often giving technical assistance and lending out personnel for given periods of time. It has also played a major role in the establishment of of the Latin American co-operative agency, Latin, which is a major news source for Reuters and which takes its international news mainly from Reuters. Similar relationships between Reuters, AFP and national news agencies have occurred in their respective Far Eastern and South East Asian areas of influence. A very recent example of aid is the assistance given by Reuters in the establishment of the Caribbean News Agency (CANA) in 1975, which started with 18 subscribers, of which nine were radio stations, three were TV stations and the remainder were newspapers. CANA hoped to be independent of Reuters after a year of operations, and its UNESCO inspired constitution embodies guarantees of non-interference from governments and other vested interests of the area.

A seeming paradox of this kind of advisory relationship is the fact that many of the agencies in question are government-owned, and in some respects subscribe to different norms of news-gathering and news-distribution than those professed by the international agency.

But a new national agency is a new client, and as such it

contributes to the continued survival of the global agencies. A new national agency may also mean the introduction of improvements of national news-gathering machinery. Where there are few newspapers or other media, or where the existing media are also the media of the capital city serving only the urban population, a national news agency may represent the beginning of a geographically much more widespread coverage. This is sometimes best done by the government, because if there are no provincial media and there is little provincial literacy, it is probably the government which has most to gain from some coverage. It would be foolish to rule out the possibility that in the long run the very existence of a good technical facility for news-gathering might generate the needs and pressures that also stimulate the growth of non-government media. In short, as the global agencies themselves argue, some news is better than no news: helping a government-owned agency may be the only means of generating a regular news supply from some countries.

Governments must also be well-informed to govern well. They need to be well-informed about international news, and about their own country. The international agencies are helping them do just that when they give aid to national agencies. After all, much of the activity of the global agencies is <u>about</u> news of governments and diplomats and these are some of their most avid consumers. So the global agencies can simply be said to be helping countries participate in the process of inter-dependence that character-

izes the modern world. From a certain point of view it may be said that they are also helping maintain certain kinds of government, and that is also true. On the other hand they do not help exclusively the same kind of government. The instances include one-party as well as multi-party states. They rarely, if ever, include communist agencies, but those agencies have help from elsewhere.

General Character of the Global-National Relationship

The relationship between global and national news agencies is one of enduring significance for them both. National agencies are invariably regarded as important sources of news by the global agencies; if they are not so regarded then that state of affairs is associated with a sense of grievance by global agency journalists, as well as a sense of professional (and cultural) triumph - a national agency which is not an important source for a global agency, the implication is, has no right to be a national agency.

Wherever there is a national agency, it is common for the office of the global agency in the country to subscribe to it, but in some cases the national agency service may not be received in the country itself. Most East European national news agencies, for example, are not received by the global agencies at the points of origin, but are picked up in Vienna, which is the central reporting centre for East Europe for the world agencies. At the height of the Cold War it was difficult to get correspondents into

East Europe at all, and so there was not always an office locally to receive local news services; but it also suited the East European gevernments to have their services picked up outside their own territories - it removed the apparent need, in their eyes, for correspondents actually to put foot in the countries they covered. And since East Europe does not rank high in the news priorities of the global agencies, it is common for these countries to be literally considered as a 'block' to be viewed and covered from one central point.

Where national agency services are received by the global agencies outside the countries concerned, it may also be because it is cheaper for the global agencies to maintain a team of service monitors, and perhaps translators, at a point which is central in their own network. This is possible if the outgoing signals of the national (or international) agencies are sufficiently strong, as they are in the case of TASS, NCNA, the East European agencies, the North Vietnamese agency. To maintain an editing team in the capital of origin can sometimes be slower, especially where communications are inferior or where agency dispatches must pass through a censor's office, than global agency transmission to the nearest regional centre or to head office. For reasons such as these, the service of the Middle East New Agency (MENA) is often monitored not in Cairo, where it originates, but in Beirut; the North Vietnamese agency is monitored in Hong Kong or Tokyo.

There are cases where national agencies do exist but whose services are not taken by the global agencies. UPI for instance no longer subscribes to the national agencies of French North Africa, which are not considered sufficiently newsworthy or trustworthy as sources, and which do not always pay the global agencies for the services they receive from them as part of the exchange agreements. Of course most countries in Africa have special relationships with either Reuters or AFP, which tend to weaken the possibility of alternative or additional links with the American agencies.

In some cases national agency services are not taken because they are allied with global agency operations, and therefore considered to be direct competitors. Reuters and UPI both do without AFP's domestic French service, for example, but do have arrangements with smaller French agencies. Reuters does not subscribe to a domestic service of the U.S. agencies, and in Germany, DPA's domestic service no longer goes to the offices of Reuters, AP and AFP. Needless to say, it would usually be possible for a global agency office to get access to domestic services through its own clients if the need arose.

What can a global agency expect from a national agency? This varies considerably. The most comprehensive national agency services are those of the western developed nations, which include the PA of Britain, Germany's DPA, and Italy's ANSA. The relative adequacy of these agencies, in the eyes of the global agency journalists, reflects the high develop-

ment of print and broadcast media in such countries. This implies, therefore, that the best national agencies exist in countries where there are sufficient alternatives to these agencies.

Where necessary, a global agency can do without a very good national agency because the other media will act as adequate news sources, and this happens in the case of Reuters in the United States, Germany and France. In other countries, however, the main reason for doing without the local national agency is usually that it is thought to be so bad, not because there is any alternative. Yet even where this happens a global agency does not generally have the local resources to provide an adequate alternative for itself.

Local governments may prefer to use broadcast media as national news outlets, and this may mean that the broadcast media will act as primary news sources for the global agencies. The usefulness of broadcast media in practice is often diminished unless used in conjunction with a national agency. A national agency provides an immediate written record of an announcement or an event, whereas a broadcast station has to be monitored by the global agency, which must try to tape key passages if these can be identified in advance. Radio may be more important than other media for a government which is communicating directly to its own people, many of whom may not be exposed to any

alternative media-form; but in communicating with media of its own country or of other countries, a government will normally find in a national news agency a more sophisticated kind of policy intrument.

A national news agency is an important news source in a number of different ways. In the first place it is a source of national news. 'National News' in many countries refers principally to news about events of nation-wide significance or relevance. Thus the activities of a central government are as a general rule matters of national significance. Some national news agencies in fact cater mostly for news of this kind only. The PA in Great Britain is such an agency. Of its full-time reporting strength of some 250 reporters, only seventeen or eighteen are actually stationed outside London. The agency spends only a tiny fraction of its reporting energy on news which would be of interest to certain localities only - although it does engage in some individual reporting for specific members which might include such regional news.

Concentration on national news suits the world agencies admirably. Their focus is on news which is international in character, or on the salient 'national' events, news which reflects the nation-state character of international political divisions.

There may be other suitable media (including national broadcast stations) which the world agencies can use as

sources. But the chances are strong that the agency will be first source. It would be foolish to rely on the local broadcast network, or the national newspaper media which rarely have more extensive resources than national agencies, unless there were good commercial reasons for doing so, , or unless the national agency was not considered competent in its task.

In the light of standards of journalism as defined by professionals in the United States and the United Kingdom, national agencies do often fail to meet these standards of competence. But this does not necessarily make them useless as sources. If the national agency is a government agency for example, and its news distribution is government controlled, it is still very often of value to the global agencies as a reliable source of government policy and statements, and has the advantage often of being used as initial source by the government over other media. This is true of many countries, whether the agency is controlled or not, since it is easier for the government to talk to one medium rather than to all media, especially on certain routine kinds of announcement.

National agencies may be important to global agencies not only for news. In some countries they may employ a good proportion of all trained journalists, who can feed news to westerners in a style and at a speed which resembles what westerners regard as journalism. Precisely for that reason they may be of more immediate or personal use to

global agencies as stringers, or at least as news-contacts, than as representatives of a national agency. This is often the case where the agency is both quite strong and is also tied to the political machine, so that agency journalists enjoy high status as civil servants or party members. Their job means that they are quite well-informed, whilst at the same time it also indicates they have a good deal of contact with other journalists, including foreigners. In some countries, especially the less developed nations, journalism is not seen as the distinct profession it is regarded as in the United States or in the United Kingdom, but more as a <u>way of being</u> for a certain sector of the elite, where the frontiers of journalism with literature, art and politics are not clearly defined. In such a case, the national agency journalist, especially at the senior level, might also be a potential dissident - his artistic aspirations his close understanding but not his direct involvement with the political elite (many members of which may be personally known to him), and his exposure to western developments and ideas, all contributing to this possibility.

One further non-news function which can make a national agency attractive as partner for a global agency is its significance as a location for local expertise in communications technology.

Second in importance to their role as <u>news</u> sources however, the national agencies are important to the global agencies as clients or subscribers to global news services. In

some cases, where domestic news-gathering operations are primitive or non-existent, the national agency exists for no other purpose than to receive and distribute to local media or government offices, the edited versions of global agency services. Sometimes the global agencies have no choice but to accept this arrangement, which occurs in countries where news is rigidly controlled, and the national agency doubles as distributor and censor. It also occurs in countries where the local media are undeveloped and cannot afford to take the global agencies singly or where there is severe shortage of foreign exchange reserves. Often they do not want the services of global agencies even if they could afford them, because they do not want to handle that volume of wordage, nor to employ a man to watch the teleprinter for eighteen or twenty-four hours or whatever, and prefer a national agency which will distil the news for them. Even in the developed nations there is a tendency for national news agencies to distribute global agency services for provincial or non-metropolitan newspapers - this being a valuable market in bulk, but which it would be difficult for a global agency to cultivate by itself. The national agency may also undertake the translation, if needed, into local languages, and if the revenue possibilities of a country are not particularly high then a global agency may prefer not to take responsibility for such a task.

It goes without saying that the global agencies are of considerable importance to the national agencies. The national agencies invariably distribute world news as well

as domestic news, and their main source of world news is one or more of the global news agencies. This applies to the strongest national agencies just as much as to the weaker. DPA and Kyodo, for instance, maintain sizeable overseas reporting staffs, but these are not exhaustive enough to substitute for the world agencies. (Kyodo takes most of the world agencies, while DPA now depends mainly on UPI.) This is because the primary function of these agencies is reporting for their home markets, and their overseas markets are relatively small - the international news they cover is deliberately viewed through national eyes. Secondly, they do not cover the world as comprehensively as do the global agencies. They tend to concentrate on the western developed nations, and much less on other parts of the world (though Kyodo does cover south east Asia quite extensively, given Japanese cultural and economic interests in that part of the world). And where they <u>do</u> maintain a presence, they only keep a bare minimum of full-time staff.

National agencies could use alternative sources to the global agencies, and in practice they supplement their basic diet: by monitoring foreign radio stations, for instance. In this case of course, there is still an indirect dependence on the global agencies because the foreign radio stations will also take <u>their</u> news from the global agencies. Foreign radio is an original news source only for news of the country of the radio station in question, as a rule, and no national agency would be able

to, or would want to, monitor all the radio stations of the major powers when it could subscribe instead to a global agency service. However, some of the major broadcasters like the BBC sell digests of monitored foreign radio stations. Another supplemental source is amongst other national news agency services. But these share the same disadvantages as radio: they are good news sources only for news of the countries they individually represent, sometimes not even very good for that, and their reporting strength in no way compares with that of the global agencies, and is often hampered by lack of skill or government control.

Resistance and alternatives

> "On the whole, the major powers have not shown themselves ready or willing to face up to the consequences of the two-way (information exchange) system.
>
> We find evidence of this... in the functioning of the five international news agencies belonging to the developed nations.
>
> They flood developing countries with information, and it is editorialized information about the industrially advanced world while little news about the developing countries finds place in the media of these nations.
>
> Even this scanty news is given out in a manner that projects a distorted picture of these countries to the world."
>
> (Inder Kumar Gurjal, Indian Information and Broadcasting Minister, 1974.)[8]

The power of the large agencies does not rest on the total compliance of the smaller agencies. Resistance to this power has been a common theme in the history of their relationship. This resistance has rarely succeeded in

establishing a viable alternative, and success seems closely related to political power. The most striking examples of success are the American agencies, and the two leading agencies of the communist or socialist world. AP challenged the dominance of the European triumverate because its competitive edge on the home market was threatened by the independent foreign operations of its chief rival, UP. The prominence of these agencies on the world scene was truly established only after World War Two, in the wake of America's role in the political and economic reconstruction in the west and containment of communism beyond the Russian and Chinese blocs.

The other notable examples of agencies which have achieved some substantial measure of independence from the flow of information provided them by the global agencies are those of West Germany and Japan, DPA and Kyodo respectively. These are the agencies of the two principal losers of the Second World War, countries which before that war had maintained news agencies which had also struggled for their own sphere of influence, and which since the war have been amongst the economic giants.

AP Leaves the Cartel

The story of AP's disaffection from the triumverate is vividly, though at times misleadingly, described in Kent Cooper's book "Barriers Down". AP joined the European cartel because it was an extremely convenient mode of foreign news collection, leaving the agency with resources

for its primary objective, capture of the domestic market, while giving it an initial advantage in the competition with its domestic rivals.

These advantages were not permanent. The United States rapidly developed its own cable networks across the globe, and communications seemed more feasible; the domestic competition, UP, having to rely solely on its own foreign news collection, could argue that it was truly independent editorially whereas AP was not. For this very reason AP had to engage in its own reporting of overseas events, but was unable to recoup foreign news-gathering costs by foreign sales.

AP's main complaints against the cartel, then, were that it kept it out of foreign markets; that the European agencies could present American news disparagingly if they wished even though their clients had no access to alternative sources; and in any case they did not report enough American news, while they could present news of their own countries favourably.

AP's unhappiness was both commercial and diplomatic. It began to recognize that in a free trade situation it would do very well overseas, and one way to achieve this situation was to stress how the cartel system worked against the diplomatic interests of the United States and the interests of other countries dependent on the cartel.

AP's role in the breaking-down of the oligopolistic system occurred first of all nearer to home than Europe - in South America. Its interest was excited by UP's success in obtaining the Argentinian paper La Nacion as client, even though this paper had first of all approached AP whose chief, Melville Stone, soon to be replaced by Kent Cooper, had not reacted. UP's initial success was partly due to distrust of some South American newspapers of the reporting of the opening of the European war by the French agency Havas. Since Havas and Reuter had the advantage of access to transatlantic communications in the control of the Allies, the German agency could not distribute its own version.

When La Nacion again approached AP after the war, AP decided to approach Havas, and negotiate for limited entry onto the French agency's traditional South American market. Havas agreed, on condition that it received compensation for any financial loss, and in return for the use of AP's own service. Havas was banking on being able to maintain sales, while AP would be taken as a 'second' agency, and banking on being able to undercut AP rates if necessary, with the backing of the French government. In the meantime, access to AP's service allowed Havas to compare the respective performance of the two agencies. AP accepted these conditions because it did not want a clean break from the cartel: it still needed the cartel's supply of news of other parts of the world (especially those European countries of the cartel agencies), and did not want to provoke a battle with Reuters at this stage, since Reuters

was bound to intervene if Havas was too deeply disturbed. At the time of this treaty, AP also took over the news service for South America which before had been run by the American Cable Co., at that time co-operating with the State Department to enlarge cable traffic with South America.

While in favour of breaking with the cartel AP, like UP, had no objection to signing up deals with other agencies. In the Far East it won an exchange arrangement with the Japanese agency, Rengo, in defiance of Rengo's earlier agreement with Reuters. UP had already signed up a number of opposition agencies in the world and AP possibly feared losing out on the available supply. Reuters tried to dissuade AP from leaving the cartel by threatening to sign up an alternative agreement with UP, thus reversing the tables between the American agencies. UP briefly considered the idea and then turned it down.

The free market situation was formally achieved in 1933 with Reuters' reluctant but powerless consent; in Europe as we have seen, neither American agency could make much headway in the domestic markets of the major European agencies. On a global scale, AP was a long way behind UP as news distributor. The real consequences of the pre-war victory were not to be evident until after the war.

Shifting Centres of Resistance

Leading centres of resistance to the global agencies before the Second World War were primarily those agencies of countries which had pretensions to major political status in the world. The overseas activities of the German agency Wolff, or Continental, had been restricted by the Allies after Germany's first defeat. But the Nazis created their own international news machinery: Transocean, which disseminated by radio, and DMB, which was a forced merger of previously existing agencies, notably Continental and TU. These affected Reuters and Havas in two ways: they distributed free of charge or at extremely low rates for propaganda purposes, and with the aid of State funds, and by depriving the old European agencies of subscriptions to their services weakened them financially. Much the same was true of the Italian agency under Mussolini. In the Far East, the new Japanese agency Domei further encroached on already overcrowded markets to the discomfort of Reuters in particular. Even in friendlier regions, Australia, Canada and South Africa, there were growing signs of media dissatisfaction with news services that seemed to reflect the interests of the British Empire rather than strict journalistic norms of impartiality. CP resisted attempts to oblige it to distribute Reuters in Canada; South African newspapers took over SAPA which became an independent agency.

The efforts of the Fascist agencies were doomed to eventual failure of course, because of their defeat in war. Elsewhere there was no serious attempt actually to do without

the global agencies altogether, except of course in the case of TASS, but even TASS continued subscribing to services of the western agencies. Then as now the most usual form of controlling the influence of the western agencies was to attempt to control the national agency (which if it did not exist was set up for the purpose), which distributed global services locally, or simply to change allegiance by showing preference for one global agency over another.

After the Second World War the centres of resistance changed more to the Third World: Africa, Asia and South America, but with no notable success except for the New China News Agency, which has the resources to collect its own foreign news (but still takes western agency services). Unlike TASS, the New China News Agency has not collected quite as loyal a string of client agencies as the Russian agency collected in Eastern Europe after the war. Its service is very likely to be only one of several subscriptions to communist agencies by those national agencies depending mainly on communist sources of news, but in its own country NCNA is every bit as powerful as TASS.

In Asia, the post-war Japanese agency Kyodo has approached near sufficiency in its own gathering of world news, but does not have an appreciable overseas clientele. India's national agency did begin to build up a moderate overseas reporting strength while still part-owner of Reuters, but subsequently reduced this force to a mere handful of personnel.

A novel arrangement designed to establish an independent news agency for the Asian region began in 1971 with the Asian News Agency. This was the creation of a number of talented Asian journalists, with a background of American experience. The principal journalist backer was Adrian Zecker, an ex-Time Magazine writer, who co-founded the Asia Magazine in 1961 with Norman Soong, ex-AP, who had worked for the photographic and feature agency, PAN-ASIAN News Service. The Asia magazine was distributed as a Sunday supplement for English-language newspapers throughout Asia. There were plans to use profits from this venture for the establishment of a news agency. But Asia Magazine was not very profitable. Zecker left, followed by a number of others, to form Pacific Publications in 1969. The basic idea behind this group was to set up a complete Asian communications package, which would include specialist magazines, a newspaper and a news service. The specialist magazines, including Orientations, Insight, Chic, ranged from cultural artefact coverage for collectors, through political and economic analysis for businessmen to the women's fashion market. The news service was actually launched before the newspaper, in order to set up a news-gathering apparatus that would eventually feed into the paper.

It started as a wire service that would specialize in interpretive coverage of spot news developments, using Reuters for communications. Six months later a weekly newspaper, the Asian, was established, and this too was

included as a Sunday supplement in many Asian English-language papers. The Asian took much of the news from ANS, but this of course detracted from the value of ANS for potential clients of the news service.

Although both the news service and agency frequently covered material of high quality, and of specific relevance to Asian interests, in a way which Anglo-American journalism could not achieve for an eastern market, the news service could not survive. It regressed from a wire service to a mailed service and by 1973 ceased to exist. There were many problems: lack of executive expertise, insufficient security capital, insufficient clients willing to pay economic prices for a service which they saw as very supplementary to that of the major agencies, and difficulties in maintaining uniformity of style and editorial approach among the many full-timers and stringers in different Asian capitals.

The experience of the Asian News Agency is a depressing one for those who seek a viable non-government alternative to dominance of the big agencies, because the ANS sought to by-pass direct competition by focusing on regional news, and on background and interpretation rather than on spot news. Direct competition would have required an impossible capital outlay, with correspondents in all the major capitals of the world, and still no great hope of financial success.

The novelty of the Asian News Agency was its commercial

backing: other attempts to establish viable alternatives to the global agencies have been backed by national agencies with strong or direct government connections, and their motives have naturally been at least mildly political in character. These attempts, like the GNA (Ghana News Agency), have started as regional news agencies in the first instance, but usually with the implied possibility of their one day becoming a realistic alternative as source of international news to the global agencies. Their news-coverage in practice rarely gets beyond being regional in character, with the supplementary aid of reports from per-haps a full-timer or stringer in one or two of the major world capitals.

The Middle East News Agency, for example, which was founded as co-operative agency in 1956, but passed to government control in 1961, stepped up its foreign coverage in the mid-sixties, and maintained bureaux in Beirut, Khartoum, Jiddah, Gazah, Benghazie, Mogadiscio, Dakar, Belgrade, Colombo, Karachi, Singapore and London. The plans for extensive coverage outside the Middle East however proved impossible and quickly collapsed. Within the Middle East region and in Africa, Egypt (reflecting the image of power-ful non-alignment established by Nasser), has nevertheless acquired a reputation as important news source through MENA and through its broadcasts. It is a very important source of news developments in the Middle East for the global agencies, which tend to pick up its service in Beirut.

The other major bid for independence in African news was the Ghana News Agency (GNA), founded in 1957, following MENA as one of the earliest of the post-independence wave of news agencies, which still maintains offices in London, Lagos, New York, Togo and Nairobi. These offices are usually located in embassy buildings. Under Nkrumah, a plan to convert the agency into a Pan-African News Agency was implemented, and the London staff was increased to 14. At this time the agency was run as an independent public corporation (but subsidized by the Ministry of Information). With the death of Nkrumah this vision was laid aside, also in the realization that other African countries were less willing to accept the agency as an authoritive source on non-Ghana affairs. The London bureau was reduced from 14 to 3 staff. It is still the most important source of news for Reuters on matters to do with Ghana, and Reuters' correspondent in Ghana is in fact a journalist of the national agency.

South America is perhaps more dependent on foreign agencies than any other of the major world regions, precisely because there are few strong national agencies on the continent, and because the media, though prolific, are for the most part fairly poor. There is very little South American representation among the foreign press corps of other countries. Yet there have been fewer attempts here to establish alternatives to dependence on the larger agencies for news of the continent as a whole and news of the rest of the world. The most important venture in this respect

is Latin, founded in 1969, with the aid and advice of Reuters. This is a co-operative that initially included 13 newspapers of various South American countries; most of the papers had a conservative reputation. The agency collects its own South American news, with the help of its member newspapers, and also distributes world news of Reuters. Reuters in turn has the use of Latin for its South American news.

According to a report by John Nichols in 1975[9] Latin employs 20 full-time reporters, most of them aged around 30, earning only 60-70% of the pay of AP and UPI correspondents. But most of them have worked for the global agencies, or have received training supervision from Reuter's Patrick Crosse and his successor, Jose Maria Orlando, an Uruguayan newsman and a former AP correspondent in Cuba. The agency has 130 print, broadcast and institutional subscribers. By 1972, Latin copy represented a minimum of 26% of total wire service copy in 6 newspapers studied by Nichols, and this was an increase of over 400% on 1970. In that period the agency appears to have shifted away from interpretive and cultural news reporting and, surprisingly, from economic reporting, but appears to be covering much more sports news (accounting for about 33% of total 1973 output). In the course of Latin's life, the use of AP in the papers studied by Nichols declined by 33%, although this decline appeared to be levelling off. About 90% of all prominently displayed news stories in this study which combined agency byelines included Latin as a consulting source.

A UNESCO meeting in Quito, Ecuador, in 1975, recommended

that the government of each Latin American country should establish its own national news service, which would in turn supply its news to a larger 'Latin American news service', also financed by these governments, for hemisphere-wide distribution. While South American communications experts may perceive in the Reuter-assisted Latin agency a certain conservative bias perhaps arising from the character of its newspaper members, the possibility of achieving a stable inter-government consensus on the running of a continental agency seems remote indeed.

The Quito recommendation was also reflected in the spirit of the proposal accepted by the New Delhi meeting of non-aligned nations in 1976 for a Third World news agency or exchange arrangement. One of the backers of this proposal, Yugoslavia, had announced earlier that year that its agency Tanjug would become an agency for third world countries. Tanjug is better placed to do this than many agencies of the socialist countries, inasfar as Yugoslavia has maintained more open relations with the western powers in the last decade or so, and Tanjug is known to have depended rather more on western news sources in the past than on TASS. It is probable that its own proposal, whether singly or as part of a Third World news pool, will take the form mainly of co-operative relations with other news agencies rather than a substantial increase in personnel actually reporting news from Third World countries.

Indeed, apart from attempts to set up new agencies to compete

with the established world agencies, either at a regional or a global level, the most important supplement to the global agencies as news source that has so far been generated, has been the regional news-exchange agreement. This generally consists of formal or informal agreements between national agencies to provide one another with edited services of their own news. The services are exchanged free of charge, and in most cases are transmitted by radio. At a regional level these arrangements sometimes give evidence of a certain degree of deliberation, and have often been the consequence of UNESCO conferences. But in practice they differ hardly at all, apart from their regional emphasis, from ordinary exchange agreements between national agencies of different regions. Thus, for instance, larger agencies of Asia subscribe not only to the global agencies but also to some of the leading national agencies of the western and socialist blocs, including, quite often, the East German agency ADN. Actual consumption of these sources and their use in the output of national agencies, is generally a small percentage of the total of foreign news originating from the world agencies.

One of the strongest of the regional alliances of news agencies is the European Alliance, sometimes known as 'group 39'. This originated in 1939 out of an agreement between the agencies of Finland, Sweden, Norway, Denmark, Holland, Belgium, Switzerland and Austria, in an effort to set up an alternative source of news to the agencies of

the major powers. After the war it expanded to include Spain, Portugal, France, England, the German Republic, Italy, Yugoslavia, Greece and Turkey, and in 1970 included some of the Warsaw Treaty countries, namely Bulgaria, Czechoslovakia, East Germany, Poland, the Soviet Union and Hungary.

The significance of the group does not rest primarily on news exchanges. Such information is only infrequently of help to other member agencies, who can obtain their normal diet of European news from the global agencies. The alliance is helpful sometimes when a member wants special coverage of an event in the country of another member, but there is little consistency in the speed with which a request of this kind will be met or the quality of coverage, since each member agency is generally fully employed on coverage of its own country for domestic subscribers.

More significant is the agreement between the agencies to co-operate in technical developments involving communications, and in protecting their joint interest in the free flow of information between their countries.

Exchange of news between national news agencies of a region does not necessarily improve the flow of news in that region, as some participants of the UNESCO conference on Asian media in 1960 pointed out:

> "Slow communication within the region places national agencies at a disadvantage compared with world agencies, because news collected by the latter can be made available earlier to the countries in the region through the use of long-range wireless transmission from well-equipped stations outside the region."10

These exchanges are useful for receiving full reports of speeches by national leaders and that kind of formal verbatim report which would not normally be carried by the global agencies. In other respects it is possible that the kind of private or at least non-government alternative, in the field of interpretive background, or feature material, has more to offer. The Asian News Agency was such an example. A continuing alternative is the range of services put out by the Press Trust of Asia, an organization supported from funds of leading Asian newspapers and the Ford Foundation. The PFA's Depth News service provides news and features on the subject of development in Asia as a training device for Asian journalists.

National Agencies: The Third Force

The development of national news agencies must be seen as a progressive trend. Although the use to which they are put, and their links with governments, have repressive consequences, the national news agencies generally serve to (i) improve the quality of domestic news-gathering, (ii) provide cheap foreign and domestic news for newspapers and other media who might otherwise be unable to subscribe individually to one or more of the global agencies, or to employ the necessary labour to edit, collate and translate these services, and (iii) to improve the flow of outward communications to neighbouring countries and to the global agencies themselves.

The UNESCO 1964 survey listed 87 national agencies for

75 countries or territories. A 1969 survey by the Organization of International Journalists in Eastern Europe was very incomplete; the compatibility of different sources on the news agencies (OIJ 1969, Unesco 1964, Unesco 1953, Unesco 1950)[10] is extremely poor, and even within the surveys the comparability of information in terms of the categories covered is very weak. The kind of information offered about the agencies varies from one agency to another; or information is delivered in different ways to what were presumably identical questions. Despite these difficulties certain trends can be observed.

In 1950 there were only 76 agencies for 51 countries. The increase in the space of the period 1950-1962 occurred mostly in countries which before did not have agencies. During that time of course many new independent states emerged, and the wave of independence has continued subsequently - new agencies have appeared, for instance, in Malaysia and the Caribbean. The increase between 1950 and 1962 is actually larger than the figures indicate because the 1950 system of classification includes some agencies that would not have been included in the 1962 survey. These figures exclude in both cases the global agencies AFP, AP, UPI, Reuters or TASS.

Of the agencies existing in 1962, 11 were founded before 1915; 17 were founded before 1940, and the rest only after 1939. Two-thirds of existing national agencies therefore

were established in the period following the Second World War.

The agencies founded in the pre-1915 period, and still existing in the 1950 and 1962 surveys, were mostly concentrated in Europe with a scattering around the globe - one in Asia, one in the Pacific, one in South America. In the inter-war period, 1915-1939, just under half of the agencies then established were founded in Europe. The rest were established in Asia (6), Africa and the Middle East (3), the Pacific (1), North America (2), and South America (1). The dominant region for news agencies after the Second World War was Africa and the Middle East, which produced 27 agencies or one third of all agencies founded between 1939 and 1962, followed by Asia with just under a third of the post-war total (23), and then Europe (13) and South America (13). Many of the South American agencies were founded in the immediate post-war period, and were short-lived. The African agencies came mostly in the mid-'fifties to the early 'sixties, and have stayed.

The news agency phenomenon therefore was primarily European before the First World War. There was a gradual extension throughout the inter-war period, but with Europe still the major region for new agencies, while the post Second World War era saw a boom in the founding of agencies in Africa and Asia.

Of all agencies recorded in the UNESCO 1964 figures, Africa

and the Middle East account for about one third of the total; followed by Europe accounting for another third; the rest mainly in Asia and scattered among the other world regions.

Since the 1964 survey, expansion has been much more gradual and has occurred principally in Africa, Asia and the Middle East.

The death-rate of agencies appears to have declined considerably up to the 1953 survey. In the pre-1915 period, over half the agencies then founded subsequently ceased operations; whereas only about one quarter of those founded between the wars died before 1952, and only a sixth of those founded in the immediate post-war period.

Naturally, one would expect to find fewer agencies dying the shorter the interval between the date of their foundation and the date of survey. But one would also expect a higher death-rate at the beginning of the period, as competition gave way to a situation of monopoly markets achieved in some instances through an amalgamation process. Wars accounted for several deaths, but often new agencies emerged on the basis of a previously established infrastructure, with perhaps little change of facilities or personnel. Most of the East European agencies of the post-Second World War period had a lineal history going back into the pre-war period when they were national or party political agencies. These would not have been recorded

as 'deaths', since their continuity of name indicates reasonably uninterrupted survival, despite changes of control.

Of all the agencies in 1962, nearly all, about seven out of every eight, were primarily <u>domestic</u> news agencies, with no substantial sales overseas and with few exchange arrangements other than those with the global agencies. The 'international' agencies, with some overseas activities but nothing approaching a global level of operation, tended to be European, east or west, or the agencies of non-European developed nations, such as Kyodo of Japan.

The numbers of domestic bureaux maintained by these agencies varies tremendously, as one might expect. Jiji of Japan claims 60 domestic bureaux, Kyodo about 50. PTI of India has about 50. At least one third of the world's national agencies had four bureaux in their own countries or fewer. There does seem to be a strong tendency for the agencies of the developed countries to command far greater domestic resources, other things being equal. Canada's two main domestic agencies for example employ about 200 full-timers between them for a population (in 1966) of about 20 million; whereas PTI if India employs about the same number for a population of 483 million! This impression does not improve very much if one allows a further 100 journalists for India's lesser agencies. In Japan, Jiji and Kyodo employ about 600 journalists for a population of 105 million; and the PA in the United Kingdom has some 200 journalists for a population of 55 million.

Countries with more than one main agency are not necessarily developed or very wealthy countries; they include, for instance, Turkey and Indonesia, as well as the United States and Japan. In some of the developing countries there may be one national agency controlled by the government and another which operates on more commercial lines; or there may be several agencies, none of them truly national. Or in communist countries there may be a division of agency functions, with a different name for each function, as in Russia where there is one agency for spot news and one agency for feature material. In Spain there are a number of different agencies, each covering its specific geographical area, yet in practice governed by the same organization of which EFE is the international news branch. The presence of more than one agency in a country is therefore not necessarily a sign of greater competition or enterprise, nor of news freedom from government control, nor even of adequate news-gathering resources for domestic news.

As a rule about one half of the daily wordage distributed by national agencies is foreign news. Of 29 agencies for whom this information was given in the UNESCO surveys, 21 gave between 40-60% of their total wordage over to foreign news reports (mostly taken from the global agencies). Of the three communist countries included in this number, all used high percentages on foreign news, most of it from TASS; but the highest figures were those of African agencies, some of which devoted up to 75 or 80% of their news content

on foreign news, reflecting the poor development of domestic news gathering.

Wordage varies enormously in volume, from 15,000 a day for Antara, of Indonesia in 1953, to 250,000 for Canadian Press in 1969. In 24 cases figures were available for both 1953 and 1962, and in 16 of these cases there had been increases in absolute wordage in the space of a decade, and in 6 cases the wordage remained constant. The increases were sometimes in the order of 100%. In 12 cases figures were also available for 1969, and of these 10 had increased their wordage since 1964.

In terms of words transmitted, the existing agencies appear to be increasing the volume of information they carry. This sometimes reflects the greater complexity of their operations: this is true of EFE for instance, which in recent years has greatly expanded its international transmissions. It seems that agencies of the developed countries carry more words than agencies of the less developed countries: the very high figures are invariably those of agencies in developed countries (e.g.: 112,000 for U.K.'s PA, 110,000 for South Africa's SAPA in 1962 etc.).

Where developing agencies have increased their wordage substantially over time part of this increase may well be due to increases in the volume of words they receive from the global agencies. For example global agency transmissions to South America have increased by well over 100% in the post-war period.

TABLE TEN

CHANGES IN TOTAL DISTRIBUTION (DAILY) OF WORDS TRANSMITTED DAILY BETWEEN 1953 AND 1969

Agency	Country	Surveys		
		1953 (UNESCO)	1964 (UNESCO)	1969 (OIJ)
PNS	Philippines	-	15,000	10,000
CTK	Czechoslovakia	18,000	56,000	80,000
DPA	West Germany	-	120,000	120,000
ANSA	Italy	-	200,000	283,000
ANP	Netherlands	30,000	40,000	66,000
NT	Norway	22,000	22,000	26,000
PAP	Poland	-	36,000	60,000
EFE	Spain	40,000	65,000	90,000
Logos	Spain	16,000	38,000	45,000
TT	Sweden	30,000	35,000	40,000
ATS	Switzerland	40,000	40,000	53,000
PA	United Kingdom	30,000	90,000	112,000

Shortly before this manuscript was completed, UNESCO updated its survey of the world's media (cf. reference 11 in the notes), using information largely gathered in 1971-2. Altogether there was a slight increase in the total number of national news agencies, so that by 1971 there were national agencies in 90 sovereign countries. There were still as many as 40 countries without national agencies, and of these, 25 had populations greater than a million. In 50 out of the 90 countries with national agencies, these agencies were directly controlled by the State, and in the other forty they were mostly corporate newspaper endeavours or public corporations established under State auspices. Examples of privately owned agencies include Informex, the leading Mexican agency, which goes to 40% of the country's dailies, 50% of its radio stations and 10% of its television stations; and the South Korean agency, Hapdong. Private ownership of course does not necessarily ensure a greater degree of independence in editorial matters than exists under government control. The increase in agencies, where it occurred, was mostly in Third World regions. Africa, which had 21 national agencies in 1962, had 27 ten years later, of which 22 were directly controlled by their respective governments. There were still 13 African countries with no agencies. In South America, Brazil, Argentina, Colombia, Chile, Venezuela now had agencies, mostly private and sometimes in competition with other private agencies. Only in Argentina did they have a complete monopoly on incoming news from the world agencies. In Asia 20 out of 28 countries with agencies were cases of direct

government control. Only five Asian countries (Cyprus, Kuwait, Saudi Arabia, Singapore and Thailand) did not have agencies. Amongst the smaller Third World agencies there were some signs of growth in terms of personnel and in wordage distributed. But many of them were still very modest operations. The Colombian Ultra Prensa for example had an editorial strength of eight persons; the agency of the People's Republic of the Congo had a total staff of 46; the agency of Dahomey, a total staff of 26. Very many of these Third World agencies still distribute by bulletin.

One interesting feature of growth in most parts of the world is an increase in the number of other agencies which any given national agency subscribes to, including not only exchange agreements, but subscriptions to leading world agencies. Even in Europe this seems to be widely true. There are many instances in the Third World of agencies which originally subscribed to only one world agency, which now subscribe to two or more. Although most agencies have a long list of exchange agreements however with other national and regional agencies, it is still as true as ever that four or five agencies dominate the scene. In some cases an increase in subscriptions merely confirms this pattern. For many years for instance EFE depended mainly on the German agency DPA for its news, but in the 'sixties, subscription with American agencies have brought it more into line with the common tendency for the American, British and French agencies to dominate news supply in the non-communist world.

National Agency News Consumption

Studies of how national agency output incorporates foreign news material received from the global agencies indicate (i) the importance of the global agencies as sources of foreign news, and (ii) the importance of the national agencies in determining which news is received by subscribing media.

The most systematic study of how national agencies use material from the foreign agencies and indeed the most exhaustive study of national news agencies is that of Weibull, Olsson and Lundquist (1971) in their report of news-flow in Scandinavian countries.[12]

This study shows firstly that the responsibility of editing foreign news for the Scandinavian media through the news agencies was shared by a small number of comparatively young journalists: 9 to 10 in each case; of whom over half were under thirty; two thirds had had no previous journalistic experience, and hardly any had had overseas work experience of any kind.

Between 86% and 91% of all incoming material was discarded, and between 8% and 14% was totally revised. The most common reasons for rejection of material were that material was of no interest to subscribers or that it had already been sufficiently covered by other agencies, or that 'it was not really news'. The principles of rejection were

formulated by the editorial team as a whole rather than by one or two 'gatekeepers'.

These four Scandinavian agencies (RB in Denmark, STT in Sweden, NTB in Norway and FNB in Finland), did not subscribe to American agencies, which distributed independently, but took the services of Reuters, AFP, DPA, TASS and of each other. Of the incoming material, Reuters accounted for 46.3%; AFP 26.2%; DPA 17.1%; TASS 2.1%; Scandinavian agencies 4.0% and others 2.2%; while their own correspondents gathered 2.2%. But of the material which was actually used, between 57% and 68% was Reuters or AFP news, while DPA accounted for between 1% and 8% and TASS between 0% and 2%. Material from other Scandinavian agencies accounted for between 9% and 17% of material used, thus indicating high demand for regional news coverage. In general, the larger the originating agency, the more the material from that agency was used by each Scandinavian agency.

The wires of the incoming agencies tended to concentrate on the principal world capitals, and in regional terms on North America and Western Europe. The Scandinavian agencies did not deviate very much from this pattern, but they did tend to use <u>less</u> material on western Europe than Reuters, AFP and DPA, more on eastern Europe, more on America, more on the Middle East, about the same on Asia and less on Africa. In some respects they accentuated the biases of the larger agencies, and in other cases compensated. In general however there was not much difference

either in terms of news content, which in all cases was dominated by 'hard news' - political matters, wars, international relations, defence and economics - or in terms of geographical origin.

This study complements an earlier Scandinavian analysis by Stig Thoren[13] who looked both at the Swedish news agency (TT) and the UPI and AP provision of news to Swedish newspapers. The UPI bureau in Sweden received the largest number of words - 250,970 for the week studied, followed by AP with 225,870. The total wordage received by the national agency from Reuters and AFP were 153,340 and 104,420 respectively. Content was dominated by news dealing with armed conflicts and defence, mostly about Vietnam (of the large agencies, TASS devoted 34.5% to this category, Reuters 24% of its total wordage, AFP 16.9%, UPI 21.9% and AP 26%).

The second largest category transmitted by the western world-wide agencies was news of international relations, including news of international organizations and foreign relations, 11.5% in the case of AFP, to 23.5% for AP. The newspapers received from the AP and UPI bureaux in Sweden some 22.4% and 18.6% respectively of the news these agencies received from abroad. In other words, they cut down drastically on their total files, but delivered a more substantial portion of those files than the news agency TT delivered of the material it received from Reuters and AFP in the 1971 study.

Political consequences of news agency selection of news in Scandinavia have been explored in a further study of the Swedish agency TT. Rosengren and Rikardsson found that the agency favoured anti-Arab news while it disfavoured pro-Arab news in its output as compared with its input, in coverage of the Middle East conflict in the Fall of 1972. This finding was interpreted as a consequence not of deliberate partiality of reporting, but in terms of a bias in the generally accepted criteria for news evaluation. That is, part of the pro-Arab news that was underrepresented in the TT output in this study belongs to the type of content that is regularly underrepresented in the news selection process: cultural, educational, scientific, technical news etc.[14]

Findings of the Scandinavian researchers contrast interestingly with studies of a third world agency and an agency of a socialist country. Snider (1968) studied the use of international news by the agency of Afghanistan, Bakhtar over a period of four weeks.[15] This agency, which was controlled from the Ministry of Information and Culture, was the sole source of international news for media and government channels of Afghanistan. The International News Department had a vice-president and four translators. The vice-president selected the stories that were to be translated and transmitted, so that control of incoming foreign news rested in the hands of just one man.

Two unusual features about Bakhtar were the high percentage

of incoming material used - about one third - and the prominence of DPA. The most voluminous single source was Reuters, followed by AP and then DPA (there were seven agencies altogether, plus monitored broadcasts). But of the stories transmitted by Bakhtar, roughly one quarter were DPA stories, one quarter from monitored radio broadcasts, and 21% were Reuters. In terms of the amount of copy used out of the file of any one agency, DPA also scored highest, since 46.3% of its copy was used, followed by AP in second place. Incoming stories focused very much on the United States, the U.K. and the U.S.S.R.; more than a third dealt with foreign relations, followed by politics and then sport and economic news. Over 50% of all stories were less than 100 words in length. Of the outgoing wire, 50% of stories dealt with foreign relations, war accounting for a further 13% and politics 11%. Very little space was given to sport. Use of stories from TASS and Hsin Hua was low, even though Hsin Hua's transmissions were clearest: one reason for this tended to be the length of dispatches from these agencies, since Bakhtar showed a clear preference for short stories.

Two reasons for the importance of DPA here may have been the fact that AFP only started supplying the agency on a trial basis during the course of the study, and the fact that dependence on radio broadcasts disguised dependence on agency material to some extent, assuming that at least some of the material of the broadcasts originated with the agencies. It may also be that a country in the 'non-aligned'

world might tend to seek out the largest agency available with the fewest ex-imperial ties, or that German trade with Afghanistan was considered especially important. The high use rate of incoming material probably reflects the low wordage received from the agencies relative to the norm for transmission to western countries.

A study of the agency of Yugoslavia, Tanjug, showed this agency to be rather closer to the typical western pattern as exemplified by the national agencies in Scandinavia. Robinson[16] found that Tanjug discarded or weeded out 78.8% of all incoming foreign news material. This was not related to censorship restricitions, but to the usual blend of professional judgement, available communications capacity and market considerations. Of a daily total of 264,000 words received from abroad, some 60% originated from AP, USIS, Reuters and AFP. The Socialist agencies in the U.S.S.R. and eastern Europe provided only around 30%. Although material from the correspondents of the agency did not account for much of the total news received from overseas, it did figure large in the finished product. Of the copy <u>used</u> by Tanjug, 45% came from AP, Reuters, AFP and USIS, 14.2% from Socialist and the Soviet agencies, 8.3% from other agencies, 24% from the agency's own correspondents and 8.5% from monitored broadcasts.

The study shows that Tanjug is unusual amongst the socialist agencies in the proportion of material it uses from the

western agencies, which is high. USIS figures unusually here, perhaps indicating the special interest of Yugoslavia in American developments, or maybe it was simply a cheaper alternative to taking the second American agency UPI.

National agencies tend to make fairly high use of regional material. The Scandinavian agencies, as we have seen, make considerable use of each other's wires; Snider found that Bakhtar used almost all overseas material that related to Afghanistan directly and to neighbouring countries such as Iran. And a study of the foreign news wire of the PA in the United Kingdom for one day found that the geographical origin of the stories selected by the PA were even more heavily concentrated on news relating to Britain and North America than the typical composition of the incoming wires.[17]

Summary

In this chapter we have seen how the growth of the international agencies coincided with the political configuration of Europe in the late nineteenth century and how their overseas expansion related to the trade and investment activities of their respective countries. These agencies early on established the principle of news-exchange as basis for the relationship between themselves. This principle they applied to their relationship with the smaller agencies, while maintaining a position of comparative strength. The imbalance of the relationship between global and

and national agencies persists, but with certain positive benefits for both: the global agency gets a source of local news, news facilities and a client; the national agency gets a service of foreign news, one which often helps establish the national agency in a monopolistic situation on its home market, and at a rate far cheaper than any alternative it could devise for itself. These advantages have not been so strong as to erase much of the discontent and resistance expressed by national agencies, yet viable alternatives to dependence on the existing set of global agencies have rarely if ever been accomplished. Some of the problems of imbalance in the relationship between small and large agencies must in the final analysis be solved through multi-source subscriptions and bias of news selection in favour of local interests.

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CHAPTER NINE: Organizational Structure, Communications and Clients

Media studies have addressed themselves to two central issues in their relatively short history: the question of the effects of media output on audience beliefs and behaviours; and the question of how media output is selected and arranged in the first place. Both kinds of study have undergone considerable sophistication. From dependence on stimulus-response models, effects studies have progressed to consideration of the uses and gratifications to which individuals put different kinds of media material, and the influence of social and group identity on that process.[1]

Some of the early studies that were concerned with news selection considered this in terms of an identifiable filtering process, where certain individuals were responsible for eliminating or channelling forward the information they received. This 'gatekeeper' approach was based on the psychological model of Kurt Lewin devised for a study of how the housewife channelled certain foods into the home and not others.[2]

This kind of approach, exemplified in David Manning White's study of a telegraph editor whose job it was to select news from the wire services for inclusion in his newspaper,[3] was not without merit. White's 'Mr. Gatekeeper did manifest some prejudices which directly influenced his choice. It is of some significance, moreover, to

understand that usually very few people are involved in this kind of filtering process, and that these few may be likely to demonstrate certain similarities of social background and cultural evaluation.

More recent thinking on the problem of news selection however, sees this aspect of the process as but one segment of an enormously more complicated reality. The issue of selection is seen to involve consideration of the structure, ownership and management of media organizations; the social backgrounds, career patterns, and attitudes of professional communicators; patterns of interaction between communicators and between communicators and other related occupational groups; general cultural values and so on.[4] Especially in the field of news, attention is now more likely to be given to the active participation of professional communicators and non-professional informants <u>outside</u> the media industry, for whom the media have strategic importance in their pursuit of private goals.[5] Many attempts have been made to give diagrammatic form to this complexity; but while 'communications models' have illustrative value and may help to indicate possibilities for productive research, it is difficult to see that they add anything in the way of explanation.[6] Inasfar as they add little to our <u>substantive</u> understanding of media operations in relation to particular outputs, particularly news stories, and the subtleties of real-life political and social pressures, they are limited in their applicability.

This study of the global news agencies is essentially about the news-selection process. In the earlier chapters, the aim has been to clarify the relationship of the agencies to one another in the light of certain dominant political themes of the nineteenth and twentieth centuries, to explore the ways in which markets have been maintained and developed on the basis of privileged political background, and to see how market orientation has affected the distribution of agency resources and attention.

It is now time to take a closer look at the agencies from a localized point of view, to examine the kind of organizational arrangements that they represent, the actual character of management and news-gathering at the bureau level, the influence of technology as facilitator and constraint, and the consequences for news output and for the client.

At this level the first consideration is whether the nature of agency work exhibits sufficient regularities to allow for any kind of general statement about the extent to which news flow is an <u>intended</u> and <u>controlled</u> activity. Many personal biographies of journalists after all emphasize the absence of routine in news-gathering, and see there a constant anticipation and celebration of the unpredictable.

1. The Organization of News

Many studies of media organization discern important 'organic' features in the structuring of activity. Tunstall (1971)

for instance describes newspapers as 'non-routine' bureaucracies; in his study, the activity of different specialist news-gathering groups differ according to the goal of each group, and the dominant pattern of the group's loyalties or commitments to employing organization, professional colleagues and source organizations.[7] Elliott (1972) comments on elements of conflict he observed between the 'organic' organization of television production teams and the 'mechanistic' organization of studio crews.[8]

In situations of extreme crisis and in areas of relatively poor communication, agency news-gathering is as inspirational and unpredictable as any journalism can be. This is clear, for example, in the mention of agency journalists who worked alongside David Halberstam of the New York Times in the Congo and in Saigon, recorded in Halberstam's first account of the Vietnam War.[9]

But for the most part, agency work is characterized by tight <u>scheduling</u> of activity. This does not preclude organic organizational features: considerable initiative may be displayed, for instance, in the logistical planning of news coverage. Nor does it necessarily imply a great degree of bureaucratization: in fact the number of levels of authority in the structure of agencies is relatively small, and at the news-gathering end authority is a diffuse, ambiguous and perhaps irrelevant concern. Yet the evidence of <u>schedule</u> is sometimes so strong that it tends to blanket an observer's awareness of the organic features of the

situation, and its weakly defined sense of bureaucracy.

The essence of agency schedule is a continuous deadline. In a way this is a figure of speech, but it does denote one major difference between agencies and other media: newspaper journalists may have a day to pursue and develop and think about a story; weekly news-magazine journalists of course have much longer, and this is evident in the breadth, depth and quality of their writing; television and broadcast journalists may have one or two hourly intervals between broadcasts - their schedule begins to approach the schedule of agency journalists, except that broadcast journalists often update their material simply by reference to incoming agency reports, whereas of course the agencies have to collect the new material fresh.

A 'continuous' deadline is in a sense an absurdity. Events have to happen, have to be recognized as relatively complete news-items or news-developments before they can be transmitted The definition of when a news-event has sufficient meaning, either on its own accord or by reference to some broader set of events, is a social construction on the part of the agency journalist. And that construction must take into account the necessity for some degree of personal and organizational order. But in terms of the shortness of interval between stories or dispatches, the agency journalist as a general rule, is working to a much tighter schedule than any other media journalist. For one thing, an agency journalist is working for the deadlines of clients in many

different countries, in different time-zones, whereas other media journalists are working simply to the deadline of their own employing organization. Freelance journalists usually have the good sense to work for newspapers within the same time zone.

The character of agency schedule has some important consequences. One of the most evident is the emphasis on speed, which is especially acute in agency journalsim. Enormously expensive technological innovations are introduced to save only a few minutes in transmission or processing time. The 'scoop', which has gone out of fashion in daily newspaper journalism because it is so difficult and so rarely achieved, is still an important objective for an agency bureau chief. It is not a scoop in subject matter that concerns him, but a time-scoop; to be a few minutes, sometimes even mere seconds ahead of a rival agency. Various forms of feedback from head office or regional head bureau nourish this competitiveness: weekly and monthly records of the agency's success in this respect relative to the competing agencies; frequent messages warning of the developments on rival wires; queries from client media.

Speed affects the logistics and style of coverage. It binds the agency journalist to his office. Even in the battlefield he stays close to a phone, or to a plane, and does not usually plan to be away from the office for longer than a day. One reason for this of course is that he must

ensure immediate transmission of the news story. But the other reason is that his office may need him to work on some other, perhaps totally different development somewhere else. There are never too many staff.

The 'story' for an agency is usually what other media would consider a development within a larger story. Agency journalists do not wait to integrate, explain and package. They send <u>now</u>. Head Office may do any fundamental integration and packaging that has not been done and is considered necessary for client consumption. For similar reasons the agency journalist therefore does not spend much time on explanatory 'background' or 'assessment' pieces, or 'in-depth' news writing. That kind of writing assumes more time, and a longer deadline, than most agency journalists have. Of course this affects what agency journalists think of as being <u>news</u>.

The pressure of agency schedule, finally, has consequences for the internal communications of agency organizations. Not simply for the sophistication of communications technology but for the absolute volume of such communication. Bureau chiefs are in frequent contact with their head offices. Stories transmitted from any given bureau arrive at the desks of head office or regional head office almost instantaneously, and elicit, if they are going to elicit anything, almost instantaneous feedback. The output of the agency is received on one or more teleprinters in each bureau, so that the organizational image, the selection criteria it

employs, its constantly developing definition of news vis-a-vis any given set of world circumstances, is constantly present, regardless of distance between bureau and head office. Communication networks in agency life, perhaps more clearly than any other single variable, account for the apparent uniformity of agency product, and the degree of control and integration so evident in the news-processing cycle.

Studies of other kinds of multi-national corporation have shown that distance is no necessary obstacle to control by head office over far-flung divisions and branches, especially in the case of U.S.-based multi-nationals.[10] Nor is the extent of bureaucratization a necessary indication of the extent of actual organizational control of its members. Pugh and Hickson, in their comparative study of organizational structures, have found that centralization of decision-making upwards is an <u>alternative</u> mode of control to a high 'structuring of activities' of employees, by setting prescribed tasks, rules and procedures to regulate behaviour.[11] But in the case of agency organization it is not so much 'prescribed tasks, rules and procedures' that are sources of control, but rather the continual statement and restatement of values and norms through the process of communication on specific issues. It is a constant process of predicting the reaction of organizational colleagues and adjusting strategy in the light of that prediction. This is the basic process that underlies the closely-integrated professional and organizational solidarity that is characteristic

of full-time agency journalists. It eliminates the need for highly-centralized decision-making. Although exceptional dilemmas are passed up the hierarchy (from editorial to executive levels), no time-consuming decision-making machinery is suitable for agency work, for otherwise by the time a decision is taken the story will be dead.

Centralization of Editorial Control

Editorial control of course operates all the way down the line. It is there at the level of the news sources to which an agency journalist exposes himself: if he were not looking at the local daily press or monitoring local broadcasts, what else might he be doing with his time, what other sources of information might he have tapped which are otherwise obliterated by the salience of local media organizations? The news-gatherer then is the first organizational form of control: he selects certain items of information and discards others, even before presenting a story to a senior journalist for transmission. The criteria of selection at this stage have to do with personal factors and values, as well as with commitment to organizational and professional values which have to do with checking, approaching opposition sources, asking certain kinds of question and not others. Of course even before this stage, control and selection factors are at work. What leads certain sources or source organizations to provide certain kinds of information and not others? What kinds of factor determine when a source initiates a relationship with a journalist, and when is it the other way round?

Simply the asking of these questions indicates that the issue is much more complex than the old-fashioned 'gate-keeper' concept would suggest.

But these considerations do not make it unimportant whether or not there are strict editorial controls within an organization, and the form which these take. For instance, whether or not the material which leaves a certain bureau generally arrives in the offices of clients intact, or not at all, or greatly changed, is important. An organization in which bureaux have high editorial independence is different from one which does not. Where there is high editorial independence of bureaux there is a high diversity of editorial sources within the organization. Where strict editorial control from the centre is exercised, in whatever form, then a different kind of information-output is involved, which raises questions about how clients should relate to agency material. There is some merit therefore in considering editorial control as a process which occurs in the time interval between the writing of a story and the delivery of that story to a client, and this is the focus of the present chapter.

There are certain basic characteristics of agency editorial control which it is relevant to identify at this point:

(i) Editorial control is above all a process of <u>elimination</u>. It is negative control. Some stories are delivered on one or more wires, some stories are not used.

(ii) Positive Editorial Control is notable for its relative inconspicuousness. It concerns such things as the deletion of certain parts of a story in the interests of precision and length, or the addition of some very basic explanatory groundwork (the title of a person mentioned in a story, for instance, if this has been omitted, or a sentence of background to cover the development of the story prior to the latest report). Stories developing in more than one country at a time, may be compiled by a central desk from individual items sent by different bureaux. There may be spelling mistakes, stylistic 'errors' (that do not accord with the style guidelines generally printed for editorial use by each agency), or expressions which do not suit the colloquial usage of the market for which the story is being considered. But most editing has a straight-forward technical as well as marketing character, which does not query the basic substance of a story, does not seek alterations in its basic structure and choice of information.

(iii) Editorial Control which involves person super-vision rather than copy alteration is similarly low-key. There may be instances where major revisions are required, and the editorial desk will ring back to the bureau of origin maybe,

to demand further information, or to check the character and quality of sources of information. This kind of control is often forward-looking: a regional head bureau or head office may ask a bureau chief about predicted stories for the next week or month, and then recommend certain angles he should cover (and which if he is experienced he would probably cover on his own 'socialized' initiative anyway). Control is often in the nature of feedback: what the rival agencies are saying; reports in the London, Paris, and New York press that need to be checked out and developed. The most extensive and protracted form of personal supervision occurs, as it would for any organization, in relation to the new members or the 'incomplete' member: entrants still on probation, locally-recruited journalists, locally-recruited bureau chiefs reporting to larger regional bureaux, and 'stringers'.

(iv) At each editorial stage there are only very few people involved in the task of surveillance of copy. The general pattern is that there is one copy-taster per editorial desk, who is probably the only person who will see all the incoming copy directed to that desk. Any assistant he has will correct and revise copy which is given him by the copy-taster, and he may often be told

what to do. The number of assistants does not extend much beyond three or four on even the most important desks dealing with the entire volume of world news. The flow of copy for so few people is such that they work at a rapid pace in any given shift: the essential feature is that there is really no time for much more than the elimination process, the simple kinds of change mentioned in (ii) above, and when the occasion calls for it, a more extensive and detailed check-up on a story.

(v) The elimination process is maintained at such a feverish rate, that it is obvious that selection occurs on the basis of a few simple variables, about which there is a kind of consensus between copy-tasters and agency executives. These have to do with (a) the cultural/economic/political relevance of a given story to one or more major world regions, (b) the dimension of the story: the more countries involved the better; the bigger it is, whatever it is, the better - whether it be an earthquake or political demonstration, (c) its content appropriateness: certain categories of news get high coverage by agencies, others do not. Politics, economics and sport rank high; education and science do not. For the agencies, therefore, 'news' tends to occur

towards the top levels of national, decision-making institutions, especially those whose decisions have fairly direct international implications; (d) its technical adequacy: in other words, provided the story passes on competence, in terms of language, sources approached, impartiality of presentation, it is a candidate for selection on the basis of the other criteria. If it does not pass those other criteria it has no hope; if it does, a check back to bureau may be made to salvage it.

The dominance of the elimination function reflects both the need to <u>cut down</u> on the incoming copy, as well as the basic purpose of the out-going wire, which is to provide huge <u>choice</u> of usable material for clients in any given area. So, while selection has to be made between some material and other material, it does not have to be so rigorous that it becomes a major problem, since it is important to provide much more copy than any single client will want to use. The aim is both precision <u>and</u> bulk.

Agency Variations in Editorial Control

'Editorial centralization' refers to the character and location of those persons who have the right to receive copy from other bureaux with the intention of changing, altering, cutting, adding or in any other way interfering with it, while that copy is still en route to clients. With the partial exception of Reuters, the global agencies are also domestic agencies, and their domestic news functions are organizationally distinct. If we regard the Press Association as the domestic arm of Reuters for the present argument, it can be said that the PA and AFP exhibit the greatest degree of domestic editorial centralization.

The PA does not 'regionalise' its service. There are no desks in London which serve the specific needs of different U.K. regions. The same services are distributed across the nation from London; there is no injection of regional material at a local level, and the services go straight to the offices of client media organizations. The agency, acting on behalf of its owners, the provincial daily newspapers, considers that these papers will have covered their own regions adequately. The PA's own coverage in the regions is based on a full-time strength of about 17 or 18 correspondents out of a total of about 300 editorial staff of whom the rest are based in London. Wherever possible it has stringers on member newspapers. Sometimes a newsroom will co-operate as a body in providing the PA with news. In a minority of cases the newspaper does not

co-operate as a matter of principle and forbids its staff to act in a stringer capacity for the agency. The PA does put out a 'specials' wire. This wire simply carries stories which are destined for specific clients. They may be ordered by the clients, at additional cost to themselves - for instance, they might want reports of speeches made by local M.P.'s - or the specials may be discretionary, sent by the PA whenever it thinks a particular client might benefit from a story with a special regional interest. In the case of discretionary stories, the client would pay only if he used whatever it was the PA offered. Total wordage of special material of this kind put out by the PA runs to some 20,000 words a day. Any individual subscriber would receive only a small fraction of this. In total therefore, the percentage of stories received by clients which have a specifically regional angle is a very small fraction of the total material received from the PA.

AFP falls somewhere in between the PA and the American agencies in the editorial centralization of its domestic organization. The main editorial function is centred in Paris, but outside Paris, as we have seen, there are a number of principal bureaux and some subsidiary ones, which have much greater organizational significance than the provincial bureaux of the PA. For a few periods each day, Paris suspends its incoming and outgoing connections with the regional bureaux to allow provincial bureaux to transmit to one another, and to newspaper clients, stories of primarily local or regional significance unlikely to appeal

on a nationwide scale, and which do not therefore require handling in Paris. Even so, there are sometimes misunderstandings between provincial newspaper clients and the Paris central desk when clients feel that the general news service for the provinces does not adequately meet their requirements for regional news.

AFP and the American agencies all tend to subscribe to the idea that there is something which is called 'national' news, and something which is called 'regional' or 'local' news. This distinction is not altogether meaningful, since the 'national' wires will often carry stories which appear to have a very local character, but to which editors attribute some potential for national interest - very often a crime or human interest story. But it can be understood that news of central government and of matters which in a fairly direct fashion affect the nation as a whole, will be carried on the 'national' or 'trunk' wires. The regional or 'state' wires often carry matters to do with local government, local sports and the like, which have an immediate relevance to the area in which they occur. Of course these matters might also be of significant interest to other regions, but the division of wires has in the past tended to restrict the flow of intra-regional news.

The American agencies produce a high volume of state and local news. In the past each main state bureau was responsible for compiling a state wire that carried nothing but local news. Subscribers could take the state wire

entirely separately, or they could take a service which combined trunk with state wire news. Neighbouring states might take the state wires of adjacent areas to include some of this news on their own wire. But naturally this would involve much monitoring work, re-editing and re-punching. Both agencies have now computerized their news operations, so that inter-bureau communication is facilitated by the elimination of much of the monitoring and re-punching operation that was once necessary. State bureaux can file stories to selected destinations which they consider might be interested in receiving them, and they can easily obtain abstracts of stories on other state wires which they can call in from the computer. AP has several computer bureaux known as hub bureaux, whereas UPI's system is based on three computers in one bureau. 'Trunk' wires are made up of the international material which has been selected in New York as suitable for national dissemination, and of the various stories from different states which have been coded for national distribution.

Traditionally there have been three levels of bureau in the American system: the head bureau, the state bureau, and the smaller bureau within any given state. The head bureau exercised the most important editorial control over the construction of national wires, although of course the material they used was the material transmitted to them by the state wires (which were received in the head offices). These state wires included material sent by the smaller state bureaux. These bureaux commonly waited until there

was available wire capacity to carry their material. Although junior, they had autonomy in deciding which material they wanted the rest of the state to see, and indeed which stories they wanted seen at a national level. With computerization the state bureaux appear to have become more important in deciding which stories should be placed on the national or trunk wires, at the expense of the head offices, which are confined more to a monitoring and checking function, and of the local bureaux. In the case of AP, it is not state bureaux as a whole that have become more important but selected state bureaux - the 'hub' bureaux. It is the 'hub' bureaux which decide on the destination codes suitable for stories sent them by less important or 'line' bureaux. Their collective decisions about what is or is not 'national' news go towards the creation of a 'national' or 'trunk' wire.

Internationally there are also differences between the agencies in the extent to which the editorial functions are centralized. This is reflected mainly in the extent to which each head office exercises dominant control over its network global system.

In their international operations the global agencies maintain a three-level bureau system. At the top of course is head office - in New York, London or Paris - and then there are regional centres whose functions cover many countries, perhaps more than one continent, and beneath these are smaller bureaux which simply cover one country or less and which tend to file copy not direct to head office

but to a regional bureau. There are two considerations in assessing the relative importance of these bureaux in an agency network, and they have to do with the distribution function and the news-gathering function.

In terms of news distribution, New York is an exceptionally important centre in the case of AP. There are few 'middle-level' bureaux which intervene between New York and individual countries and the clients within individual coutries. Traditionally, the London bureau has ranked second in the hierarchy of AP's bureaux, and that bureau has inserted material of primarily regional interest on the wires coming from New York for Europe. But in recent years the time allotted for this insertion function has declined considerably and at the moment is of no great importance. Therefore New York sends out one European wire for the whole continent, including the United Kingdom. As we have seen, AP maintains its own translating staffs in many European countries for direct distribution to clients there. In the process of translation, which requires the news-flow to stop in the office of the local bureau, it is possible to insert extra items of interest to that country. (The extent to which this happens is not great.) For one reason relatively little material of solely European interest is included on the wire's passage through London, and what material there is will tend to be of a broad European character, and of little truly localized interest. .It is of course possible for neighbouring bureaux to telex items of special interest to other countries, but this tends not to happen very often

*cf.note 3,p.957

because this is a non-routine procedure, it is time-consuming, and simply adds to the burden of translation work that must be done. It would happen only in the case of something extremely important.

The decision as to which news items should be selected for European clients therefore takes place, in the case of AP, in New York. These decisions are taken by the same desk (manned at any one time by no more than three or four people), which has responsibility for sending news to Africa and the Middle East, and to Asia and South East Asia. It is of course impossible for such a small team to differentiate precisely between the world regions in the news they select for distribution to them. It is very much the same service that goes to all the regions. What distinctions that are made between the world regions are very broad in character: certain items may be selected because they have a broad Asian relevance, for instance, but not a great deal of attention is going to be paid to news items which have <u>specific</u> relevance, say, to Malaysia, or Bangladesh. And when very specific choices <u>are</u> made, it is very often with an awareness of the presence of a well-paying client.

South America has a rather privileged position within the AP global distribution network, since it has a separate desk in New York (Prensa Asociada Desk). This desk is responsible for the distribution, in Spanish, of a service of international and U.S. news, which includes news of South America. But here again, the basic selection is made in New York, not in South America. If the South

American continent is privileged it is because it has a desk to itself, whereas the other world regions share one desk in common. But much of the work for South America is simply translation into Spanish. (News of South America which is to be retransmitted back to South American countries usually arrives in Spanish.) The service for Brazil until the mid-'seventies was translated into Portuguese in Brazil. The American agencies are exceptionally well-entrenched in the South American market, and sometimes serve as domestic agencies. Greater effort in the provision of a regionalized service is evident in the case of AP's distribution here.

The first main editorial stage in the formation of AP's World Service report, is the individual bureau acting in the light of accepted routines and prescriptions. But the major compilation process occurs in New York, and this involves the putting together of some copy and the elimination of other copy, and to a limited extent the choice of certain copy for major world regions and not others. The process is not totally centralized because, as we have seen, the translation function occurs in the bureau of the country into whose language the service is to be translated (with the exception of Spanish-speaking Latin American countries which are served a Spanish service translated in New York.) At this level, there is also considerable elimination of stories, and to a very limited extent, the addition of new ones. The effort of translation cannot keep up with the volume of news transmitted on the world

service without the risk of losing competitiveness in speed. In the process of selection at this level, it is inevitable that stories considered to be of relatively little direct importance to the country in question will be dropped.

AFP's news distribution appears even more centralized than AP's, because both the major compilation and the translation functions are located in Paris, with the exception of a Portuguese-language service which is based in Brazil, and an Arabic language service which is translated for AFP in Cairo, by the Egyptian news agency MENA. A regional centre established in Hong Kong in 1972 acts mainly as communications centre rather than for editorial surveillance. All bureaux within the region file to Hong Kong, whence copy is moved to Paris, and to Manilla for regional distribution by radio. There is some minor insertion of specifically regional material in Hong Kong that might not interest Paris. It may be that the importance of Hong Kong will increase over time, but in 1973 there was no consensus over whether local editorial control had increased or not as a result of the change.

In Paris, the 'desk central' receives all incoming messages, domestic as well as international, and then farms these dispatches out to other desks which specialize in certain geographical and other areas. The overseas desks are arranged largely according to language, though there may be different services within each language grouping. Under

this arrangement, one incoming dispatch is likely to go to several desks. An incoming story of considerable international importance would go to each of the language desks at the same time as being transmitted on the domestic wires.

Reuters operated in a fashion similar to AFP in the beginning of the post-war period, but its editorial system has changed greatly in the space of the past decade. Until 1968 there was one Central Desk which received all incoming copy, which was delivered by clerks who ran between this desk and the pool of teleprinters nearby. Just behind the teleprinter pool was a sports desk, and then along one side of the newsroom were various regional desks: European, Mid-East, South East Asian and Japanese, African, South African, North American, South American, and a desk for Australia manned by the Australian Associated Press. When Reuters cut down its South American activities in 1958, the North and South American desks came together to form a Western Hemisphere desk. The breakdown was otherwise essentially by continent. South Africa had a place of its own because there had been a South African desk from early on in the agency's history (it was the first 'regional' desk). The Central Desk functioned both to serve the regional desks, and to provide a direct service for the British press market. The Central Desk transmitted copy to the regional desks by teleprinter: each regional desk, staffed at any one time by a sub-editor and a teleprinter operator, would have a bank of teleprinters - as many as six in the case of the European desk. These teleprinters

would carry the basic service compiled by the Central Desk, but they would also carry some of the incoming copy from regions covered by the specific regional desk in question. These were called the 'leak' teleprinters.

A total staff of 28 to 30 manned the Central Desk which was the largest and the most important of the desks. The regional desks were manned by total staffs of up to eight people. Because total staffs had to operate 16 to 24 hour shifts, the actual number of people on any desk at any given time was much less than the total. At any given time, sitting on the Central Desk would be a copy-taster, the editor of the day, and a filing editor. In front of these gentlemen was a sub desk. Sometimes the copy-taster might file his own stories, if these were very important, or even dictate them to the operators, who were just behind him.

Each of the regional desks would tend to work for a different schedule or deadline, depending on the common press deadline times in their respective regions. The Central Desk might give help, advice or recommendations. For instance, it might initiate a round-up on stories of similar substance but involving more than one region. Most of the translation work was done at the receiving end, by national news agencies. A long-established French-language desk did exist in Paris for France and French Africa. Translation into Spanish for South America was done on location in Buenos Aires.

The whole history of Reuters therefore up until the mid-'sixties was one of growing complexity in the centralized handling of news material. From being basically one single service of world news before the Second World War, with some special attention to South Africa and Australia, there was a proliferation of regional desks in Head Office. Complexity <u>within</u> centralization.

In the mid-'sixties, the role of the Central Desk was further accentuated when it was renamed the World Desk. Its role vis-a-vis the regional desk became more powerful. Before 1966 each regional desk had sifted for itself through the incoming Reuters material to compile a regional service. After 1966 the World Desk did the basic sifting for all the regional desks, whereas before it had performed this function only for areas with no special regional representation, and handed out to the regional desks the copy which it considered suitable for each desk. The chain was not altogether hierarchic since the regional desks could still monitor the incoming regional copy direct on their own teleprinters. But the only copy they now changed was regional copy. The basic choice was that of the Central Desk.

The re-organization generated some bad feeling. Regional desk staff felt inferior to the 'elite' journalists selected for World Desk functions; those who were not selected but had senior experience felt downgraded.

Increasing the status of the World Desk was part of a pro-

gramme of production rationalization which culminated in 1968 with the introduction of computerized operations: Automatic Data Exchange, or ADX. This was a multi-addressing system whereby dispatches could be sent, simultaneously, to appropriately coded addresses through the world. It eliminated the need for repunching of the same material for different destinations, and made possible the direct flow of news from source to client without intervention in London. In practice, London still did exercise intervention, except on stories of very great importance, like an American election, when the New York bureau would be given the go-ahead for direct coding of stories for immediate worldwide distribution. But usually, incoming copy was coded to London, where it was viewed by a copy-taster who, without needing to remove the dispatch from the computer, could indicate whether it was suitable for direct transmission to given destinations. If not, it could be taken out of the computer and altered and, if the alterations were heavy, be repunched into the computer. Introduction of video display units from the mid-'seventies permitted alteration of copy without the need for removing it from the computer.

The computer transmitted copy to the same broad 'destinations' that were once covered by the regional desks. But these desks were now technologically redundant. Regionalization of news distribution was now largely in the hands of the World Desk copy-taster and sometimes, at the discretion of the World Desk, of the bureau originating a story. The

role of the 'regional' desks was now shifted largely from news-distribution to news-gathering, and they moved out of London to Singapore for South East Asia, New York for North America, Beirut for the Middle East. The French-language desk was brought back to London from Paris, possibly to bring the selection of French wire copy more in line with the general output of the World Desk. Now translation functions began in Bonn for German, Beirut for Arabic, Lisbon for Portuguese. In effect, the introduction of computer for Reuters has led to greater editorial centralization in the compilation of a basic Reuters service and in news-distribution, but has at the same time brought about a moderately decentralized system of news-gathering, and has also in certain respects allowed the retention of editorial control by regional centres over purely regional copy. Such copy rarely exceeds 30% of the total.

UPI introduced a similar computer operation to Reuters' ADX in 1971. Installed in London, it covered Europe, the Middle East and Africa. The use to which it was put by UPI was somewhat different from Reuters' exploitation of the innovation. The burden of coding dispatches was placed squarely on the bureau level. An individual bureau was therefore responsible for determining to which parts of the world it considered a story should be sent. This was a radical change in traditional agency editorial practice. The change was preceded by a nine-month training or simulation programme. Correspondents had to be taught to write copy in a way that would be immediately acceptable to clients.

The training period, in other words, was designed to help correspondents internalize the practices of sub-editors. They were being asked to make the same decisions that before sub-editors at Head Office would have made: for instance, they now had to decide what priority they should give a story - whether it should be urgent or ordinary. To write too much, or to send a story to too many places, might threaten to overload the system. In fact, one mode of control still exercised by the regional centres is to let bureaux know when the system is near to full-capacity. But this is technological rather than editorial control.

The implication of this innovation for the present discussion is the decentralization of editorial control which it involves. It has eliminated a number of people who before were involved in the process of editorial choice (or elimination), but without diminishing the significance or importance of the choice factor. Once a story is filed under the new system, there is no way of changing it before it reaches the client. It can be monitored, but the correspondent cannot be asked to make any alterations until after the initial damage has been done.

The correspondent still writes one story for different client areas. But it is possible for him to code the opening paragraphs for a wider market area than the closing paragraphs. One important consequence of the system is that it may have introduced greater divisions of authority at the bureau level. Before,it was not too important who filed a story provided he had a reasonable command of

the language and an acceptable level of journalistic skill. But after the introduction of the computer it became vital that the transmitter not only had a good knowledge of codes but that he was also an excellent writer and journalist. There was now no automatic editorial control outside the bureau. So certain people were debarred from transmitting stories on their own authority. The people who were authorized to file tended to be the American bureau chiefs and chief reporters. In some instances reporters with poor linguistic qualifications (in English) were dismissed. To counteract this trend, the reduction of editorial work in the London bureau meant that some senior journalists were freed for location news-gathering.

Direct transmission from originating bureau to client within the UPI system is not the complete picture. What tends to happen is that within a major world region served by a computer centre, stories are transmitted and received directly without editorial intervention. Stories from one major region to another are received not directly by clients but through the computer centre of the region of destination.* Editorial control will be very rapid at this point, as a rule, but will not necessarily be automatic. Finally, no stories from the United States are transmitted directly or automatically overseas without editorial intervention. This is because outgoing stories often need simplification in order to facilitate the translation process wherever this is necessary, and because few U.S. agency correspondents are considered sufficiently

*cf.note 3,p.957

qualified to decide which stories are suitable for non-U.S. consumption. Incoming overseas material destined for the United States market is also processed editorially, although rather more quickly than outgoing material, since there is no language or cultural problem: the stories will have been written by Americans usually, with the American market high in their thoughts.

One interesting feature of the new kind of computerized operation is its flexibility and mobility. UPI demonstrated this first of all when it transferred its London operations for Europe, the Middle East and Africa to Brussels. The argument at the time was that Brussels was going to be the political centre of Europe and, in American eyes, the news centre; that Brussels was at least as good a communications centre as London; that the Belgian Government was prepared to make certain tax concessions in order to encourage new investments; and that labour problems were not nearly so acute in Brussels. On some of these points the agency was to be disappointed. Expected tax concessions did not materialize, and the communications, though good, were not noticeably better. Labour problems did begin to catch up on the British rate after a few years, although UPI was able to introduce a thoroughly modernized and well-equipped office in its new location which it would have had trouble getting accepted by British trades unions. Brussels did not become quite the news centre that UPI may have hoped for: and in any case, there is a limited appetite for EEC news

no matter how significant it may be objectively.

The second overseas computer centre in the UPI network was established in Hong Kong at the end of 1971. As the European change had followed an expansion of the use of multiple channels and a switch to leased lines, the introduction of a computer in Asia followed the development of cable communications as opposed to radio for distribution purposes. Regional executive agency sources claimed in 1973 that direct coding by correspondents to individual countries had increased; in fact, to reduce computer overload they were encouraged to be increasingly selective. About 80% of stories, it was claimed, were directly coded. The computer has also greatly facilitated inter-bureau communication in the area, whereas such messages in the past had to be handled physically via Tokyo and Manila.

In the Hong Kong bureau (as in Brussels) there is usually only one respondent who is responsible for monitoring incoming reports and redirecting them if necessary; sometimes there are two. In pre-computer days there would have been eight persons on this desk.

The structure of news-gathering operations in all the agencies is considerably more decentralized than news-distribution. Given that the incessant flow of communications between individual bureaux and the head office or regional offices is an important factor in determining a reasonably standardized approach and product, along with

similar national background, education and training, the actual logistics of news-gathering, and to some extent the real selection of stories, is the responsibility of the local bureau chief. The problems of news-gathering from the point of view of bureau chief is the subject of the next chapter, and all it needs here is to say that this is an essential link point between the market and cultural factors that determine the organizational character of the agencies, and the practical processes of information-gathering in any given locality. This is the point at which the raw material is collected and organized in preparation for later processing.

Not all bureaux are equal, however. As we have seen some of the agencies maintain regional centres. In AP's structure, the London bureau is the most important of all overseas bureaux. In the event of a news-crisis, for example in the Middle East, it is the London bureau which will take responsibility for the logistical problems of getting correspondents in the European-Mid East - African area to the spot, and ensuring a rapid flow of copy into the bureau on its way to New York. There are two bureaux of this importance in the UPI structure: Brussels and Hong Kong; Singapore, Beirut and New York in the Reuters' network; and perhaps the Hong Kong bureau for AFP.

It is a matter of degree. Some bureaux do not file directly to their Head Office, in Paris, or London, or

New York, but either to a major regional centre, or simply to the bureau in a neighbouring country. For instance, the Malaysian bureau in UPI's South East Asian structure reports to Singapore. It tends to happen that the bureaux which receive the communications of others in this way are more important than the ones which do the transmitting. This is not so true of developed areas of the world, which are extensively covered by the agency's leased cable networks. Stories from Moscow for instance pass through Scandinavia, Germany or Belgium on their way to London or Paris, but the Moscow bureau is no less important than the bureaux through which communications pass. Nor is any attempt made to edit the material which passes through: this goes direct to Head Office. In other cases, however, it is more than simply a matter of passage. Stories are stopped or at least monitored at the point of passage, and the bureau chief at this point will often have the right to query the point of origin on certain facts or suggest new modes of approach. This happens very often where the smaller bureau is headed by a locally-recruited journalist, or a junior staffer. It happens particularly when there is no full-time representation at all, but a trusted stringer or stringers. In the nature of things, coverage left to local recruits, juniors or stringers is generally coverage of countries which are not considered of very major news importance by the agencies. For the same reasons that make such countries poor in newsworthiness, the communication facilities between

them and Head Office are generally poor, another reason which makes it advisable for them to file through a nearby senior bureau. In some cases, however, and especially in Africa inter-country communication is very bad, and it is easier for the stringer or local correspondent to file his stories direct to Head Office (London or Paris, in the case of Africa, no matter which agency it is); but there will be some supervision of news-gathering by the bureau chief of the nearest sizeable bureau. The bureau chiefs of Nairobi, for example, have responsibility of this kind for several countries of East Africa; a similar situation is found in South America where the smaller countries liaise with bureaux in the larger ones; in the Middle East where Beirut and Cairo bureaux sometimes lead for others in the same region. In Europe some of the East European bureaux are really subordinate politically to Vienna; and in Scandinavia, Stockholm tends to be the senior bureau. The politics of inter-bureau superordination-subordination is a flexible and mobile phenomenon in people terms. But the fact remains that some countries are consistently given low coverage facilities, and these are therefore especially vulnerable to being considered subordinate to bureaux in neighbouring countries which are considered of greater newsworthiness.

The overall pattern of news-gathering and news distribution is in the process of change with the introduction of new technology. But the use to which similar technology is

put and the way this use varies between the agencies is a further indication of the relative centralization of editorial operations. UPI's employment of a computer system as we have seen appeared to lend considerable autonomy to individual bureaux for transmission of news direct to clients within the major geographical areas; whereas Reuters' similar technology, while it allows for the possibility of such direct transmission, is not actually employed for that purpose to the same extent: news material is monitored prior to transmission in London, even though the computer system greatly facilitates the transmission process. This excludes, in the case of Reuters, material inserted in the Singapore bureau for local South East Asian consumption, and for practical purposes, news of special interest to the Arab world inserted and translated in Beirut. The controlled flexibility of the Reuters system is likely to be similar to that introduced by AP in its computerization of foreign news distribution from late 1975; in the case of AP, in fact, computerization seems to be accompanied by greater centralization in New York. AFP's computerization in the near future will be similar in use to Reuters and AP.

The most likely future change will be towards the establishment of regional high-capacity Information and Storage Retrieval computers, permitting clients to exercise choice over the news they receive, as already happens in the U.S. for many clients. While this facility will take

many years to extend around the world, it may serve to eliminate some of the factors observed during the course of this study.

2. Communications

Chapter One described how communications systems in the agency network benefitted the clients in the developed world rather more than those of the developing world. The United States and Western Europe are interconnected with full-speed leased line circuits with tremendous capacity for both transmission of news and news distribution. Where there is high communications capacity there is a natural tendency to expand to meet the capacity, and many testified to that tendency who bemoaned its consequences for the traditional economy of agency messages. The recent expansion of 'sub-leasing' communications facilities is an attempt to ensure full utilization of existing networks.

In the rest of the world, and between the developed and developing world, the situation is changing. Inclusion of South European countries and some Middle Eastern countries into the agencies' main leased wire circuits has taken place in the early 'seventies, although in some instances, as from Israel for example, outgoing transmission is normally at half-speed, thus indicating the limit on total communications desired from such countries. The other major locus of development has been South East

Asia where a number of bureaux in the Reuters and UPI circuits are on full-speed or half-speed links with regional centres. Elsewhere outward communication is by private telex, or through local national or commercial PTT's, and these means of communication are progressively more expensive and less efficient, from the agency's point of view, than leased circuit communications.

Distribution of services on the other hand, outside the leased wire circuits, is normally by satellite or ordinary radio. Satellite is normal for communications from North to South America and has helped increase average wordage of transmissions considerably. Some of the agencies use satellite for communication to certain South East Asian and Asian destinations, but otherwise ordinary radio, which is far less efficient and reliable, is the norm.

There is obviously a relationship between communication costs and the volume of agency transmissions. To say anything more definitive than that however would tend towards an unproductive chicken-and-egg argument. Those countries with efficient linking communication systems tend to be those which already enjoy established or fast-developing links in terms of culture, trade and investment, and are therefore more likely to have a much greater volume of news about themselves to exchange than countries without such links. On the other hand one can argue that while that is initially true, communication networks do not necessarily catch up fast enough with new

relationships and new needs. An often quoted example is the dependence of African countries on communication systems that run through London or Paris, even for messages from one African country to another. There is also the possibility that simple capacity 'creates' the need, and that therefore refusal to provide the capacity indicates insensitivity to the requirements of minority groups, or simply to new possibilities. As we have seen, where the agencies expand capacity they tend towards maximum utilization of that capacity.

Might it not be the case that expansion of capacity between countries which now have only relatively low capacity might be the necessary inspiration for stimulating an information or news flow that does not at present exist, but which if it did exist would lead to better international relations? This consideration is very relevant to those countries which would like to see some alternative to the present range of global news agencies, but whose active involvement in promoting an alternative is inhibited by the present differences in cost that operate to the advantage of the existing agencies.

There is ample evidence to support the argument that the relationship between news flow and communication cost was important in the past and still is important. At the root of the issue is the fact that only a few countries were responsible for developing the major communications systems and that use of these systems favoured those

situated in the countries that had introduced them. So for example after 1919, the U.K. owned and controlled 51% of the world's submarine cables, and the United States owned 26.5%. The rest were variously owned by France, Germany, Denmark, Spain, Italy and Japan, in that order. In terms of landlines, the United States was understandably more powerful, given the importance of landlines in internal U.S. communications: accounting for 40% of the world's total at that time, with another 36% concentrated in Europe, and a mere 12% control in Asia, 6% in South America, 3% in Africa and 2.5% in Oceania. Telephone communications were similarly divided.[12]

There was an overall tendency for communication charge rates to decline in real terms during this period, and the tendency has continued for much of the post-war period as well. Cheapening of communication rates was greatly facilitated not simply by expansion, but by new technologies: radio teletype, and multi-address radio systems were the most influential in the period before World War Two, and the telephonic cable after it. Within the space of 15 years, between 1923 and 1938, Reuters for example switched from sending most of its news by cable to sending some 90% of it by radio. This had dramatic consequences for the total wordage broadcast around the world, which after the introduction of wireless for the general news service, climbed from 113,000 a month in 1938 to 6,200,000 in 1951.

After the war there was a gradual return to cable, especially

TABLE ELEVEN

COMMUNICATION COSTS FROM LONDON[13] 1913 and 1930 (per word)

	1913	1930	
LONDON to	Cable	Cable	Radio
Australia	7½d	6d	4d
South Africa	3¾d	2¾d	2½d
India	4d	3d	2½d
Canada (East)	5d	2½d	2½d
West India	1½d	7½d	7½d

Source: Desmond, Robert W. (1937)

TABLE TWELVE

COMMUNICATION COSTS FROM THE UNITED STATES[14]

1936

(per word)

NEW YORK to	Cable
London or Paris	5 cents
South America	5 cents
SAN FRANCISCO to	
Shanghai	25 cents
Manila	6 cents
Honolulu	3 cents

Source: Desmond, Robert W. (1937)

in Europe: the main advantages of cable were that it allowed for two-way communication, and for greater tailoring of services for different groups of client. A particular problem with radio was that radio frequencies had become overcrowded: there was a limit to the channels available. In the peaceful conditions of the post-war period, there was less fear about the security of landlines. The British Commonwealth Press Rate for cable communications also encouraged the use of cable further afield. This was intended to compensate for the cable traffic lost to Cable and Wireless as a result of Reuters' heavier investment after 1938 in beamcast radio for multi-address news distribution. First introduced in 1941, it operated between all territories within the commonwealth, irrespective of the nationality of the correspondent filing a message or the ownership of the newspaper to which the message was ultimately directed. As a result 'a lower rate has helped to make possible a much larger flow of news over the vast area covered.'[15] Between 1938 and 1949 the volume of press traffic from Canada to all Commonwealth countries increased by 75%, and <u>to</u> Canada <u>from</u> all Commonwealth countries by 250%.

The Commonwealth Press Rate stood at 'uneconomical' one penny (old pence) a word for many years, rising to $1\frac{1}{4}$ new pence with decimalization, and stood at 3 new pence a word in 1974.

Introduction of telephonic cable in the early 'sixties, permitted extended multiplexing arrangements, greatly increased efficiency, greater capacity (e.g. a voice grade line equals about 24 telegraph cables in capacity), and reliability by comparison with radio. Radio was least efficient for long distances, on the other hand, leased wire circuits were not worth the investment unless traffic was very heavy: so provision of telephonic cable for the developing and undeveloped parts of the world remained poor for many years to come.

While communication rates on the whole became relatively cheaper and more efficient, certain remarkable imbalances remained. (See Tables 11 and 12.) This problem greatly exercised Williams in his description of the situation in the early 1950's. He found that rates often bore little relation to costs, and that costs were often lower in one direction (<u>from</u> developed countries) than in the other direction (<u>to</u> developed countries). Cable rates to and from Middle Eastern countries not only 'vary enormously from country to country and according to which direction they are sent, but are frequently so high as to preclude anything like a full and regular service of background news'.[16] Some examples of such imbalances are evident in perusal of Table 13.

Table 13 shows the extent to which rates differed according to whether one was filing to or from London; the great differences in rates according to destination, which were

TABLE THIRTEEN

COMMUNICATION RATES 1952[17]

Cable

Ordinary Rates per Word:

	from London		to London	
New York	2.04 US cents		5.54 US cents	
Paris	1.75		2.91	
Moscow	3.50		8.75	
Iran	3.50		10.50	
Sudan	4.37		6.27	
Lebanon	3.50		9.91	
Egypt	2.91		3.79	
Israel	1.17		1.17	
Jordan	1.17		1.17	
		Urgent		Urgent
Belgian Congo	4.96		14.58	44.19
Afghanistan	5.54	16.33	21.29	42.70
Brazil	7.00	21.00	14.00	64.17
Peru	7.00		14.00	63.73

from	to London	to Paris	
Singapore	1.14	19.14	
Johannesburg	1.14	13.14	
Montreal	1.14	9.14	
			To London via Paris
Tunis	4.67	0.12	3.03
Algiers	4.67	0.12	3.03
Rabat	8.17	3.21	6.12
Saigon	9.05	3.79	6.71

not simply an expression of distance; and the differences according to cultural affiliations. There were also problems with radio communication: for instance a 'minimum period' often operated, perhaps of 15 minutes, which had to be paid for even if the period actually used was only a minute.

Leased line circuits have become much more common in agency networks since Williams' time; yet there are still great inconsistencies and imbalance. There are no preferential rates for the press in leased circuit networks, as there are in ordinary cable communications. Rental charges vary according to (i) distance, (ii) mode (whether cable/radio/satellite), and (iii) quality (e.g. voice-grade or telegraph).

The London Post Office divides the world up into two major zones: Europe and the rest; each of these is divided into three sub-zones, and costs are fixed accordingly for voice grade and telegraph circuits. In the Autumn of 1973, a 50 baud intracontinental (European) telegraph circuit would have cost between £1,320 and £2,400 a year; a voice-grade circuit would have started at £5,272. A 50 baud telgraph circuit to the Mediterranean would have been £7,500; but £11,250 to Asia or the Americas and £15,000 to Australasia; a 200 baud circuit would have cost from £15,000 to £30,000 and a voice-grade circuit from £24,000 to £60,000 according to the zone. In that year Reuters leased from the Post Office some 5 private

telegraph channels, 9 radio-broadcast facilities and 7 voice-grade (dataspeed) channels. Broadcast channels are rented by the time for which they are required: a two hour daily broadcast in 1973 cost almost £4,000 a year and an eleven hour daily broadcast cost over £16,000 a year.

Leased wire circuit charges are in fact shared between the agents of the transmitting countries and the agents of the receiving countries. Sometimes these shares are far from being equal. The cost of renting terminal equipment and services can also vary greatly depending on location. The European countries are trying to standardize their rates, basing them on the public charges for telephone lines, but there is much greater diversity for inter-continental communications, for which the ITU has made no recommendations and even if it had would not be as effective as in Europe, where the ITU has the most status.

Charging procedures for leased lines can vary greatly between countries. South Africa for instance has a standard charge regardless of destination (8,400 Gold Francs monthly for a 50 baud telegraph line in 1974; between 22,000 and 27,000 for a voice-grade line, depending on quality).[18] Other countries vary their charge according to destination, usually on a zone basis similar to that of the U.K. Post Office. A 50 baud line from Tokyo to either Beirut or to a more northerly European

TABLE FOURTEEN

EUROPEAN LEASED WIRE COST: SEPTEMBER 1973[19]

From	To	Distance in KM	Approx monthly G.F. rental per KM	To	Distance in KM	Approx monthly G.F. rental per KM
	NATIONAL CIRCUITS			INTERNATIONAL CIRCUITS		
LONDON	Manchester	368	2.9	Amsterdam	368	10.9
PARIS	Arles	601	3.5	Milan	618	13.1
BRUSSELS	Arlon	160	4.6	Cologne	185	29.2
MILAN	Rome	498	6.0	Frankfurt	498	19.1
COLOGNE	Munich	446	6.2	Amsterdam	216	20.3
COPENHAGEN	Esjberg	262	3.6	Hamburg	278	19.5
AMSTERDAM	Maastricht	168	2.5	Dusseldorf	176	24.8

Source: International Press Telecommunications Council. (1974)

destination, London or Paris for example, is the same (9,200 Gold Francs monthly in 1974), although voice-grade is less expensive for Beirut (23,000 monthly as compared with 31,500 monthly). Voice-grade circuits are generally three to four times as expensive as full-speed 50 baud lines (normal teleprinter speed). The relative shares that each terminal charges for any given line can vary enormously. Thus on the London-Vienna circuit, London's share for a 50 baud line was 863 Gold Francs monthly in June 1974, and Vienna's share was 1,656 Gold Francs. Lisbon charged two and a half times as much as London; Paris charged one and a half times as much; Rio de Janeiro charged seven times as much. New York charged around one hundred Gold Francs less. These differences were also reflected in voice-grade charges.

The International Press Telecommunications Council, a pressure group representing communications users, including the global and national news agencies, has argued that there is scant evidence to suggest that rentals bear any relation to the cost of providing a circuit plus a reasonable return upon investment. This was illustrated by reference to a series of national and international European circuits (cf. Table Fourteen).

Leased wire rates in Europe are generally much more expensive than for equivalent distances in North America: eight or nine times higher. However major increases in leased line costs for the agencies in 1978 may precipitate

a joint AP-UPI shift to domestic distribution by satellite.

In telex communication, which is in any case generally slower and less reliable than leased circuit, there are also important variations. Countries off the major routes are far more expensive to communicate with. From London, the number of seconds time bought by one new penny varies from 8.57 for adjacent European countries to only 4 on direct lines to North Africa and Eastern Europe. It is cheaper to telex the Canary Islands than Bulgaria; twice as cheap to telex Monaco than Morocco. Operator calls vary from 0.21 new pence for three minutes (e.g. to France) to 2.55 new pence for India. From Indonesia it is as cheap to telex to Europe as it is to the Phillipines, or to Hong Kong. Communication from the Hague to Tunisia costs 2.75 D fl. for three minutes, but 10.00 D fl. for communication with Nigeria. (1974 charges)

The structure of communication charges in the world is one of the most important factors operating to maintain the existing global agencies in their position of strength. But it is not impossible that over time and with the development of regional satellite networks, this will become less important.

3. Technology and the Client Relationship

The kind of communication network which an agency develops has consequences both for the relationship between the agency's bureaux and its central offices, and for the

relationship between the agency and its clients, whether or not these are served directly or through the local bureaux.

Advances in communications often seemed to strengthen the role of the agency vis-a-vis the client in the matter of editorial diversity. By increasing the sophistication of means whereby news was brought to the individual newspaper in a fashion easy for the paper to handle, the less incentive did the newspaper have to spell out its own editorial choices as opposed to the choices already implicit in the agency's provision.

This possibility first became a major issue perhaps in North America after the widespread application of teletypesetting (TTS). TTS transmits type by tape and automatically activates linecasting machines, It was first introduced in 1928, but not until the 1950's did it become very common in the United States. By February 1952 there were 800 newspapers linked to TTS circuits. It was the smaller papers which adopted these most quickly: 76% of the 800 newspapers linked to TTS circuits had circulations of under 50,000.[20] The smallest papers were those most willing to feed TTS tape directly into their linecasting machines, the papers for whom independent national coverage was not especially important. However, of nearly 1,000 newspapers receiving TTS agency services in 1954, only 54% were actually <u>setting</u> wire news with TTS tape.[21] TTS was basically a <u>domestic</u> mode of communication; the agencies

could not feed international clients in this way. Not until the 'seventies did the U.S. agencies extend TTS wires to Canada. National agencies in Europe have adopted some form of TTS systems, most notably, as in the case of the Press Association, for numerate table-like news:- sports results or financial prices for example.

The seminal content analysis study by Cutlip[22] in the early 1950's was in fact inspired by concern for the effect of TTS wires on editorial choice. Cutlip's choice of newspapers in Wisconsin was based on the choice made a few years earlier by Van Horn in a similar study.[23] In the meantime there had been a shift over to TTS wire in Wisconsin, and control over the state wire moved from Chicago to Milwaukee. Rather limited evidence suggested that where a paper went over completely to use of TTS, the amount of wire news was apt to increase at the expense of local news. Cutlip mentioned a comparable study from the Indiana University Department of Journalism comparing wire news use before and after TTS, which found that TTS:- carried a fewer number of items; the newspapers took a larger number of items from TTS wire; TTS carried a fewer number of paragraphs - less volume; newspapers using TTS in 1953 gave more space (volume) to AP news items; more AP copy was used by more newspapers. Despite certain changes perceived by Cutlip as a result of the shift to TTS (e.g. gains in news of foreign relations and government, drops in economic labour news), the general balance of content still followed the pattern on the trunk wires.

These studies helped raise the issue: how far did the global agency services influence the choices made at the local level? Papers taking TTS (the majority) had the option either of editing this material in the normal way, in which case the advantages of TTS were reduced, or simply feeding in tape as it was needed - in which case there was still choice over stories, but not in the manner of presentation.

Some studies suggest heavy agency influence over the client decision-making process; but others suggest there is greater variety at this level than has sometimes been thought. In his study of 16 telegraph editors of a newspaper sample, Geiber found that 'the press association has become the recommender of news to the wire editor and thus the real selector of telegraph news. The wire editor evaluated the news according to what the AP sent him'.[24]

Studies of one such editor, 'Mr. Gates', in two periods, 1949 and 1966, largely supported this view. The attention Mr. Gates gave to the various categories of news closely reflected the space allocated to the categories on the wire services he received. The consonance was not so great in the second study when he received only one news service, in contrast to the earlier period when he had received three services.[25]

The selection of wire service news at any given moment of time may be influenced by 'budget' statements announcing

the news which is due to be sent in the near future. In a study of telegraph editors, Liebes reported that 25% of his respondents admitted that wire service budgets of what they considered the outstanding stories to come were decisive factors in their decision-making.[26]

There are other factors of course which enter into selection other than the priorities established by wire services, such as editorial policy, marketing considerations and personal gatekeeper values. In the field of foreign news, however, it is reasonable to suppose that these other factors are not as important as they are for domestic news. The managing editors of 613 evening daily papers, as reported in a survey by Bowers,[27] considered publisher intervention into the use and display of news copy to be most frequent in the field of local news, and least frequent in the field of foreign news.

It is understandable that a paper without its own resources for national or international news reporting should rely heavily on an agency for such news. But what about state or local news? A study of newspaper consumption of agency state news by 23 newspapers in Minnesota found that the 'average newspaper' used slightly more than one third of all state news furnished it by the AP TTS State wire. Only 7% of the state wire items sent were <u>not</u> used by <u>any</u> of the 23 newspapers. There were no consistent differences in usage according to size of newspaper. This evidence shows relatively high overall usage of state wire items

provided by AP but of course there is no indication of the extent to which this usage was complemented by newspaers' own resources. Stories that got especially low usage included out-of-state stories, and stories that were filed late in the day. Items receiving high usage tended to be filed early on in the day, had Minnesota datelines, and tended to be either 'spot news' or human interest stories. Newspapers which used TTS tape were more likely to use stories in their entirety than newspapers which used the AP services without the tape. But three quarters of the stories used by the total sample were not cut at all. Thus the difference between TTS and non-TTS newspapers appears relatively insignificant by comparison with the overall tendency for newspapers not to change agency stories even for news of their own state.[28]

At least one study has addressed itself specifically to the question of the standardization effect of agency news. Stempel studied the use of wire stories for one week by six Michigan dailies linked only to a UPI TTS wire. All were evening dailies with less than 13,000 circulation. Three factors were considered: placement of story, length of story and origin of story. During the week these six papers used 764 wire stories. Only 8 of these stories were used by all six papers. One paper used slightly more than half the total; three used less than a quarter. For all six papers there was only 31% agreement on the use of articles. Papers also differed in the content balance of stories they chose: on the initial wire for instance

there were two national stories for every state story, but the ratios for individual papers ranged from 1.5 to 1 to almost 5 to 1. Editors also differed greatly on the number and proportion of shorts or fillers. Agreement on short stories was considerably less than that for other stories, but even discounting these there was still only 34% agreement on regular stories.[29]

There is considerable evidence both ways: the wire services are influential on local editor choice, but that newspapers can still exercise a great deal of choice within the material that they are provided. Even where there is influence this is far from being one-way influence: the agencies respond to what they perceive to be their clients' or members' interests, especially if those clients are within important markets (as U.S. papers are), or are especially wealthy clients in any market.

Recent technological changes in this field appear to be in the direction of increasing the possibility of autonomous decision-making at the client editorial level. While mainly confined to the United States at the moment, these are changes likely to be exported to Europe and eventually much further afield, and which will overtake the original TTS system in prevalence. We have already seen how the introduction of computerized systems greatly facilitates inter-regional news exchange, and allows for the possibility of much greater specification of news to individual news-paper requirements, even though this possibility is not

exploited as far as it could be. Following closely on this innovation is the generalized use of dataspeed systems.

AP first introduced dataspeed for its stock quotation service for 12 subscribers in July 1959. Subsequent use was mostly confined to transmission of numerical data of this kind, and for the occasional news report. In May 1974 for instance it sent out, word for word, Watergate transcripts totalling some 36,000 words in this fashion. Both AP and UPI had around 150-160 high speed clients each at this time.

Late in 1973, AP announced it would transmit its news service at 1,050 words per minute to a few test papers, which were the Detroit News, Washington Star-News and the Baltimore Sun. This new development was a response to the earlier datelines of many newspapers and the consequent need for rapid transmission of material by a certain time. The step was taken in the knowledge that as telephone companies changed to digital transmission in many big city areas, high speed transmission would become more economically feasible. Datastream could be applied to the bulk of AP's output: 'A' wire, regional B circuit and business news and sports circuits.

In 1974 AP Datastream became available across the United States, delivering news at 16 times the normal rate. Twenty papers in twelve states subscribed to the new system within the first five days. The new system

eliminated the news jams that had been unavoidable on the traditional printer-tape 66 speed wires; and provided plenty of surplus capacity.

UPI's first commercial delivery of its high-speed wire service, Datanews, was to the Sarasota (Florida) Herald-Tribune and Journal. Datanews uses a single high-speed data circuit to deliver a complete news report, including general, sports, financial and regional news. The system began as UPI completed its regional Information Storage and Retrieval system (AP's parallel system was introduced a couple of years before).

Dataspeed systems permit a much faster delivery; they therefore allow more time for editing; and if linked in, as they are, with information storage and retrieval systems, the idea of editing as a matter of dialling for those stories which an editor picks up from a daily or hourly abstract has become a reality. Since there is greatly increased wire capacity it may mean that the wire services will cut down on their leased wires, go more for limited time rentals and thus save in that way, or that they will conjure up new ways in which that capacity can be exploited. The Dataspeed systems provide a technological convenience far greater than that of traditional TTS delivery, but without the charge that they encourage standardization of news selection across newspapers. On the contrary, there is more space for more news; abstracts of news items can be presented in a clear

shorthanded way which greatly facilitates the selection process and leaves plenty of time for this process to be considered. On the other hand, the stories eventually selected, as on the TTS delivery systems, are likely to remain in the same form as they are written or presented by the agencies, the main editing function being a process of elimination of unwanted paragraphs. It is unclear yet as to what extent Dataspeed delivery and other computerized aids will lead to a greater 'survival' rate of original bureau copy, or even stimulate the collection of more news in more areas.

Relationship between Agency and Client Resources

The papers most likely to be able to exercise independence of judgement in using agency services under present circumstances, are those which have the greatest reporting resources. As we have seen however, these are precisely the papers that tend to subscribe to the most agency services. An economically healthy paper in a big city with a large circulation therefore tends to invest more than others in all news-gathering areas. But having more agency resources, such a paper will be in a position to choose items from rival agencies, and to compare and assess respective performance. It will also be able to use agency material as 'background' (even if the agency reports were the first to come to its notice) for reports by its own staff. Where a newspaper has staff of its own it will obviously prefer to give more space to their material rather than to external sources. But the distribution of

their correspondents by newspapers tends to exaggerate rather than compensate for the imbalances of news-awareness characteristic of the industry as a whole; which means that the agencies are still the most important sources of news for vast areas of the less developed world.

An excellent example is the British national newspaper press, which has a reputation among the agencies for crediting them with responsibility for news-collection least of all newspaper clients. A survey was conducted of British national media organizations in June 1974 by the author. Questionnaires were sent to all the daily newspapers: the Financial Times, the Times, the Daily Telegraph, Guardian, Daily Express, Daily Mail, Daily Mirror and the Sun, as well as the BBC and ITN, and two Sunday papers, the Sunday Times and the Observer. All these organizations responded. The respondent in each case was a foreign editor or equivalent.

The daily media organizations accounted for 128 full-time residential foreign correspondents between them, and in addition another 27 staff normally resident in the United Kingdom were stationed abroad at the time of survey (thus indicating the extent of use of 'fire-fighter' correspondents). The media also retained the services of up to 301 stringers.

Over 40% (40.9%) of the full-time resident foreign correspondents were stationed in Western Europe, and a

further 28% (28.3%) in North America. Almost 70% of the total number of correspondents were therefore based in precisely those two areas of the world most generously covered by the global news agencies. (cf. Table Fifteen)

To some extent this balance may have been offset by the distribution of stringers. Only 29% (28.9%) were based in Western Europe and 9% (8.9%) in North America (total for the two areas: 37.8%).

In coverage of the rest of the world, the Middle East and Far East got relatively generous attention, while Africa and South America between them accounted for a mere 5.5% of all full-time correspondents (but 21.6% of all stringers). The higher representation of stringers in those more remote areas is an indication in favour of the argument that sheer cost is a major factor in news-selection practices quite apart from cultural proximity and many of the other variables that researchers have considered. West Europe is obviously cheaper to cover than the Far East where communications are much more expensive; many of the cities are as expensive to live in; and travel around the Far East and between the Far East and Europe is extremely expensive by comparison with Europe. The inhibitions created by cost may themselves help create cultural differences that eventually reinforce the consequences of cost.

Stringers outnumber full-time correspondents in all major

areas except North America. Even in Western Europe there are about half as many stringers again as there are correspondents; perhaps because within Europe there is high concentration of foreign correspondents in certain areas and dependence on stringers for coverage of smaller or more remote European countries. Coverage of the U.S.S.R. and Eastern Europe is minimal, accounting for 3.9% of full-time correspondents and 3.6% of stringers.

In general, the popular press is even more restricted in its foreign news coverage than the 'elite' press. The 'elite' press (Financial Times, Times, Telegraph, Guardian) accounted for 73 of the 128 full-time correspondents whose location abroad was indicated at the time of survey. The popular press (Daily Mail, Daily Express, Daily Mirror, Sun, Evening News and Evening Standard) accounted for only less than half that number, 32 correspondents. The difference in the number of retained stringers was less striking: 167 for the 'elite' press, and 126 for the popular press. The elite press also accounted for more of the 'fire-fighters' - having 14 temporary assignments abroad as opposed to only 8 in the case of the popular press.

It is clear from Table Sixteen that in all but one area of the world the popular press was less well represented in foreign correspondents resident abroad than the elite press. The exceptional area is Australasia and Oceania, where the popular press claims two correspondents against the elite's one. In terms of stringers, the popular

TABLE FIFTEEN

DISTRIBUTION OF BRITISH NATIONAL DAILY MEDIA FOREIGN CORRESPONDENTS RESIDENT ABROAD, SUMMER 1974.

	Foreign Correspondents Resident Abroad	Retained Stringers [a]
W. Europe	52	87
E. Europe & USSR	5	11
N. America	36	27
S. America	3	25
Africa	4	40
Middle East	12	28
Far East	11	51
Australasia & Oceania	4	32
	127[b]	301

[a] One respondent did not distinguish between retainer and non-retainer

[b] One correspondent was not located

Source: Author's Questionnaire Survey 1974.

TABLE SIXTEEN

DISTRIBUTION OF CORRESPONDENTS AND STRINGERS OF BRITISH NATIONAL 'ELITE' AND 'POPULAR PRESS, SUMMER 1974.

	'ELITE'		'POPULAR'	
	Foreign Correspond-ents	Retained Stringers	Foreign Correspond-ents	Retained Stringers[a]
Western Europe	33	47	13	37
Eastern Europe	3	7	0	4
North America	18	10	14	16
South America	2	16	0	9
Africa	2	24	1	14
Middle East	6	19	2	8
Far East	8	32	0	18
Australasia & Oceania	1	10	2	20
	73	165	32	126

[a] One respondent did not distinguish retainer/non-retainer stringers.

Source: Author's Questionnaire Survey 1974.

press is better represented in only two areas: Australasia and Oceania, and North America. But most of the stringers were actually accounted for by only one paper.

A higher percentage (84%) of the popular press correspondents are based in western Europe and North America than the percentage of elite press correspondents based in these two areas (69.9%), and a similar difference is observable for stringers, although the percentages are not so high.

The representation of the BBC and ITN abroad was compared with that of two elite Sunday newspapers, the Sunday Times and Observer. The results are indicated in Table Seventeen If foreign correspondents are considered as a resource which can be computed at a national or at a world level, then it is clear that the overall distribution of this resource does nothing to correct the West European and North American leaning of the western global agencies.

The national media of a few countries have foreign correspondents in most large capitals of the world - these countries are mainly the United States, West Germany, and the United Kingdom. Some countries have a very sizeable representation in a few major capitals, and very low representation in some others. Japan tends to fall into this category, having more foreign correspondents in Washington than any other country, but very few in Africa or Latin America. Some countries have low-level representation in only one or two major capitals, and some have no foreign correspond-

ents at all.

Information about the foreign correspondents in eight countries was gathered from embassy sources in 1972-73. The countries were Belgium, Finland, Greece, Hong Kong, India, Israel, Kenya and Spain. In seven of these countries the United States had more correspondents than any other country. Counting the number of times a country ranked first or second in its representation in each of these eight countries, the United States came first with 10 first or second places, followed by West Germany with 7 and the United Kingdom with five. After the top three or four countries represented, the number of correspondents per country tends to dwindle to one or two. Of 97 foreign correspondents resident in India, for example, three quarters (72) came from the United States, the United Kingdom, U.S.S.R., Japan, West Germany and France.

Countries with the greatest number of correspondents abroad also tend to attract the most foreign correspondents: there were more foreign correspondents in the United States in 1974 than in any other country: 1,172, of whom a third were from the U.K., West Germany and Japan.

The United States, the country with the most foreign correspondents abroad (about 500 Americans and 700 foreign nationals working for U.S. media, 1969), distributes about half of these in Europe. Of the total computed for 1969, 1,462, 791 were stationed in Europe (mostly London, Paris,

TABLE SEVENTEEN

DISTRIBUTION OF RESIDENT FOREIGN CORRESPONDENTS OF THE BBC AND ITN, AND OF TWO SUNDAY NEWSPAPERS, SUMMER 1974.

	BBC & ITN		SUNDAY TIMES & OBSERVER	
	Foreign Corr.	Retained Stringers	Foreign Corr.	Retained Stringers.
Western Europe	6	3	3	9
Eastern Europe	2	0	1	1
North America	4	1	4	1
South America	1	0	0	1
Africa	1	0	0	4
Middle East	4	1	1	2
Far East	3	1	2	6
Australasia & Oceania	1	0	0	0
	22	6	11	24

Source: Author's Questionnaire Survey 1974.

Rome, Bonn, Berlin and Frankfurt), 332 in Asia and Australasia, 169 in Latin America and Canada, 76 in the Middle East, and 92 in Africa. These figures include part-time staff.[29] A study of the distribution of New York Times full-time correspondents demonstrates roughly the same pattern. Of 41 full-time correspondents employed by that paper in late 1966, 17 were in Europe, 10 in Asia, 9 in the Americas and 5 in Africa and the Middle East.[30]

Japanese correspondents are very heavily concentrated in the United States and Western Europe. The Japanese Press Directory for 1972 lists a total of 333 correspondents of whom 112 were based in the United States, 107 in Europe (of these, 22 were based in Russia and Eastern Europe), 89 in Asia and the Pacific area, 13 in Africa and the Middle East, and 12 in South America and Canada.

Not only is there an imbalance of distribution over the different major regions of the world, but there is also an imbalance within these major regions. Kruglak (1955) studied 286 correspondents working full-time for the American information media in Western Europe. Almost half of these were agency correspondents. He found that the U.K. had the largest concentration of correspondents for the media with 108 correspondents based there; France was second with 63, followed by Italy with 36 and Germany with 27. These four countries accounted for 82% of all the American media correspondents in Western Europe.[31] Tunstall recorded a concentration of British European-

based correspondents in Paris.[32]

Concentration of foreign correspondents in certain world regions and certain parts of these regions, is exacerbated by the fact that only a few media organizations account for a disproportionate number of correspondents. In the United Kingdom, Reuters accounts for about three quarters of the total, and of the daily news media in the U.K., four organizations account for two thirds of the correspondents. In the United States most foreign correspondents are accounted for by the two major agencies, the three leading TV networks and a handful of newspapers. Of the newspapers the New York Times accounts for between a third and a half of all press correspondents. Finally these respondents are not necessarily very representative of their own populations. The studies that exist of foreign correspondents of the United States and the United Kingdom tend to show that foreign correspondents of these two countries enjoy higher standing than other journalists in their own news organizations and amongst their journalist colleagues, and tend to have had a higher formal education and to have come from metropolitan areas.[33]

The incidence of foreign correspondence as a whole does little to add to the coverage of the global agencies in terms of its distribution around the world: foreign correspondence is concentrated in the areas where the agencies concentrate their own resources, and in much of the rest of the world the agencies are almost the sole

sources of news for clients throughout the world. Agency clients who enjoy their own coverage resources are the ones who tend to pay the most for agency services and to take the most services that are available. The agencies in general operate a sliding scale according to circulation so that the larger circulation papers pay much more than the smaller circulation papers. But there are also differences across countries. The details are not available, indeed are closely guarded, but it does seem that those countries which receive the least diverse agency services are at least paying less for these than clients in more favourably situated parts of the world. The fact that the American agencies concentrate mostly on their home market, and at times have been said to regard foreign revenue as 'jam', probably works to the favour of their overseas clients who pay less than they might if at least both American agencies operated tough profit-oriented policies abroad. As it is they are not cheap, and only the stronger media can afford to take them directly. There does seem to be a tendency for the agencies to charge more for clients on their home market - this is where they have extreme natural advantages over their competitors, especially where they are also national agencies. In Paris in 1974, for instance, the 360,000 circulation paper Le Monde was charged 42,000 French francs for the AFP service, (national and international) and 4,200 for UPI, 6,790 for AP, and 7,840 for Reuters which generally charges more than the American agencies, having a less profitable home market than they. An

average 260,000 circulation paper in the United States that year would have paid something in the region of $200,000 for one of the American wire services, nine or ten times as much as the world service of an American agency cost Le Monde. A 100,000 circulation Norwegian daily the same year paid approximately £9,200 for the AP, less than a tenth of the larger U.S. paper, and obtained an edited version of Reuters and AFP through the Norwegian national agency for £38,500. A larger Norwegian paper with a circulation of around 200,000 paid almost £17,000 for the AP service, nearly twice as much as the agency charged its smaller competitor. Between them these two Norwegian papers had 12 full-time foreign correspondents of whom 10 were based in Western Europe and North America.

Summary

This chapter has examined some of the organizational constraints on news-selection procedures and their consequences. The nature of a news agency's 'scheduling' of activity in response to global market demands was shown to influence its conception of news; but agencies differed in the extent to which they centralized the editorial operations in both news-gathering and news-distribution, and this in turn was influenced by news technologies. Two very important external factors that influence the editorial selection process are communications and the agency's own clients or members. The nature of communications networks affects the degree to which clients are encouraged to exercise autonomous editorial choice; but

the agencies have considerable influence in this sphere, since even those newspapers with independent international news-gathering resources tend not to employ these in a way that would complement the agency's own world-wide distribution of resources. This affects the structure of global communication rather than the quality of news-reporting as such.

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2. Lewin, Kurt: Channels of Group Life; Human Relations; Vol.I No. 2.

3. White, David M.: The Gate-Keeper: a Case Study in the Selection of News; Journalism Quarterly; Vol 27. No 3; pp.383-90.

4. See for instance Tunstall, J.: Journalists at Work; Constable, London 1971.

Elliott, P.: The Making of a Television Series; Constable; London 1972.

and perhaps the earliest sophisticated study of communications,

Lippman, Walter: Public Opinion; Harcourt, Brace; New York 1922.

5. See for instance Murphy, David: Rumor, Reality and Protest; (working paper); Sociology Department, University of Manchester; 1972.

6. An excellent summary of communications models has been compiled by Windahl, Swen: Kommunikations-Modeller; Studentlitteratur; Lund; Sweden 1972.

7. Tunstall, J.: Journalists at Work; Constable London 1971.

8. Elliott, P.: The Making of a Television Series; Constable; London 1972.

9. Halberstam, David: The Making of a Quagmire; The Bodley Head Ltd.; London 1965.

10. Tsurumi, Y.: Japanese Multinational Corporations; Journal of World Trade Law; Vol 7, No.1; Jan-Feb 1973; pp. 74-90.

11. Pugh, S.S., and Hickson, D.J.: The Comparative Study of Organizations; in People and Organizations; Salaman & Thompson (eds); Longman; London 1973.

12. Desmond, Robert W.: The Press and World Affairs; D. Appleton-Century Co.; New York 1937.

13. Desmond, Robert W.: op.cit.

14. Desmond, Robert W.: op. cit.

15. Williams, Francis: Transmitting World News; UNESCO; Paris 1953.

16. Williams, Francis: op. cit.

17. Williams, Francis: op. cit.

18. The 'Gold Franc' is a monetary unit employed for international communication charges. In Autumn 1974, one Gold Franc equalled 2.5374 US dollars.

19. I.P.T.C. Newsletter, No. 29, March 1974, p.8.

20. Wilson, Clifton E.: Impact of Teletypesetter on Publishing Media; Journalism Quarterly; Vol.30 No.3; Summer 1953. pp. 372-3

21. Cutlip, Scott M.: Content and Flow of AP News - From Trunk to TTS to Reader; Journalism Quarterly; Vol.31; 1954. p.446.

22. Cutlip, Scott M.: Ibid. pp.434-446.

23. Van Horn, George: Analysis of AP News on Trunk and Wisconsin State Wires; Journalism Quarterly, No. 29; Fall 1952.

24. Geiber, Walter: Across the Desk: A Study of 16 Telegraph Editors; Journalism Quarterly; Vol. 33; 1956; Autumn. pp. 423-432.

25. White, David M.: The Gate-Keeper: A Case Study in the Selection of News; Journalism Quarterly 1950; Vol.27 No.3; pp.383-90.

and

Snider, Paul: "Mr. Gates" Revisited: A 1966 Version of the 1949 Case Study; Journalism Quarterly, Vol.43, No.3. pp.419-427.

26. Liebes, B.H.: Decision-Making by Telegraph Editors - AP or UPI?; Journalism Quarterly 1966; Vol. 43, No.3; pp. 434-442.

27. Bowers, David R.: A Report on the Activity by Publishers in Directing Newsroom Decisions; Journalism Quarterly; Vol. 43 No. 3; 1967. pp. 43-52.

28. Jones, L.R.; Troldahl, V.C., and Hvistendahl, J.K.: News Selection Patterns from a State TTS-Wire; Journalism Quarterly, Vol. 38; 1961; pp. 303-312.

29. Stempel, Guido H.: Uniformity of Wire Content of Six Michigan Dailies; Journalism Quarterly; Vol.36; Part 1; 1959; pp. 45-48.

30. Kleisch, R.E., quoted in Hachten: Muffled Drums: The News Media in Africa; 1971.

31. Kruglak, T.: The Foreign Correspondents; Libraire E. Dorz; 1955.

32. Bishop, Michael: An Analysis of How the New York Times Gathers and Disseminates International News; Gazette; Vol. XIII, No.4. 1967.

33. Tunstall, J.: op. cit.

34. See Kruglak, T.: op. cit.

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CHAPTER TEN: Agency Journalism at the Bureau Level

1. The Bureau Chief: Responsibility and Background

The global agency organization is an arrangement of relatively discreet units, each of which is in two-way communication with the nucleus, the head office. These units, the bureaux, may have their own satellites, smaller bureaux or stringer outposts, and maintain a lower volume of communication with each other, but the attraction of communications to a centre of the whole system is generally stronger than the attraction of bureaux to one another.

The bureaux system is essential to the way in which the global agencies actually operate. Despite the speed of modern communications, and the preparedness of individual newspapers or broadcast media to resort to the 'roving correspondent' or the 'firefighter' instead of maintaining residential correspondents, the agencies have by and large retained a pattern of local representation, and indeed have expanded to most parts of the world.

Their insistence on local representation is a reflection of the nature of the task: relatively continuous surveillance of the nation from primarily a metropolitan vantage-point, on behalf of an international clientele; distribution of news to each nation, with some filtering in of news which is of specifically local interest. The agencies have business relations with most of the countries they cover: they need a representative in each country

not simply to gather news, but also to sell news; they need continuous presence, or the nearest to this they can afford, because unlike the firefighter of a newspaper they cannot rely on some other source to tell them when a crisis has occurred; an agency has to tell other people when a crisis is about to occur; and it is as well that it should have representation inside a country at a point of crisis, since sudden closure of customs-posts and airports might otherwise restrict coverage by fire-fighters altogether.

There is some compromise of course. A great many nations are covered only by stringers for the agencies, with a more general surveillance from a regional centre. Stringers are especially vulnerable at times of crisis, more so if they are local nationals; but the stringer is commonly relied on for non-crisis, routine coverage. As soon as events inside a country look like becoming what to the global agency's staff appears a matter of international concern, or a national matter of such magnitude that it must automatically be of international concern, a full-time agency staffer is generally sent in to take main responsibility.

There are some 'rovers' and 'firefighters' in the agencies. Like their newspaper counterparts they sometimes enjoy a relatively high prestige, but not the same degree of autonomy. A 'roving correspondent' is not the same thing as a 'firefighter': a 'firefighter' is a correspondent

who travels to the country where the latest crisis is happening, to take immediate responsibility for coverage; a 'rover' on the other hand is one who has some broad region to cover, but may wander from country to country more or less at his own discretion within the region, without any obvious or significant base. Two kinds of coverage are implied: the 'firefighter' for spot news in a time of crisis; the 'rover', although he may cover crises as well, for 'informed' coverage of a background or featurish character.

Anyone in an agency, virtually, can be a firefighter. Once a crisis flares in any particular country, reinforcement from other bureaux are normally directed to the spot, often with a great deal of ingenuity and canniness on the part of the regional bureau chief or news editor who is organizing the logistics of the operation. There is no identification in the agencies of one or two people who should spend most of their time 'fire-fighting'. In a newspaper this is more probable because there are so many countries in which a newspaper has no local representation: therefore it makes sense to allocate certain individuals to this role. But agencies have men in most areas: the problem is the <u>number</u> of men they need at a given time.

There is nothing especially prestigious about being a firefighter. There are however certain individuals who are recognized as 'roving correspondents', although their numbers are small - perhaps about a dozen for all the

agencies combined. They are generally senior journalists, with a great deal of experience behind tham. Being a roving correspondent is in a way a confirmation of organizational status, but by no means a widely distributed reward. It does not imply a great deal of autonomy: roving correspondents report to the local bureau chief of the country they are in, or the nearest bureau chief. They do not generally spend long periods away from the office, or from reach of the office. But they are often employed to write feature and commentary pieces. There is no trend towards increasing the number of such correspondents. Precisely because a degree of extra prestige is attached to this role, there is the danger of upsetting local bureau chiefs; and by allowing certain individuals to develop an expertise and freedom which is not typical in agency work there is the danger of undermining the organizational authority on which the system rests. There is also a financial disincentive: by creating 'stars', the agencies would be developing correspondents they could not hope to afford; other media would step in with offers of higher salaries, and a great deal of training and expense would have been wasted.

The bureau, then, is the core organizational form of agency operation, the point at which local coverage is organized and managed, and at which the agency's services can be promoted. The bureau chief is a crucial status link between the organizational executive and local correspondents. He takes legal responsibility in any given country for what

goes out over the wires about that country, and for general employment and business matters, although occasionally a 'bureau manager' is especially appointed to take care of these and so free the bureau chief for more news-gathering work. The bureau chief finds local journalist staff and stringers; he does much of the coverage of important news stories, liaises with local clients and is responsible for collecting revenues from them. His role is absolutely indispensable, and although he may work on a team basis with his colleagues in the matter of news-gathering, he is first among equals, and represents a useful vantage point for the analysis of actual agency operations.

Methodology

Eighty-eight bureaux and head offices were visited in the course of the research; the principal source of information about bureau operations in each case was the bureau chief (although certain information was verified at head office) and at head office a wide range of personnel were contacted. These bureaux were located in twenty-three countries, and an attempt was made to visit the bureaux of each of the four major agencies in these countries, although this was not always possible. In a few cases there were revisits. The interviewing was done mainly by the author, but his colleague Jeremy Tunstall conducted eight interviews in four countries on behalf of this project and Dr. Michael Palmer, who also worked briefly on the

project, conducted two interviews with bureau chiefs in Brussels, in addition to many interviews in Paris. Other sources of information approached included leading foreign correspondents in the countries visited, local news agency personnel, local newspaper editors, and embassy information officers.

The initial intention was to follow up the interview material with a general questionnaire survey. The pilot study however met with considerable opposition or extreme caution from each of the agencies, and it was clearly impossible to proceed in the hope of a complete questionnaire survey. This phase did illustrate very clearly the degree of centralization of the agencies, since in many cases bureaux chiefs did feel obliged to check with head office for permission to complete the questionnaire, which was refused. Others received warnings from head office not to complete these questionnaires. Approaches to the agencies to discuss the range of 'permitted questions' were not productive, and would not have allowed the disclosure of the kind of evidence sought. The principal reason for the reluctance of head offices to give permission was fear of giving away information that might hurt their competitive status, and simple reluctance to disclose commercial or trade as opposed to 'professional' details. It is however fundamental to this thesis that commercial or marketing considerations cannot be divorced from the professional question.

A number of questionnaires were returned completed, however, before head offices could clamp down, and these fifteen questionnaires provide very detailed observations about the character of bureau operations in nine countries, including some very large countries, and which apply to several hundred agency personnel. Since only a few of these particular countries were visited for interview purposes, they increase the total number of countries about which detailed information is available to twenty-eight. This material therefore is extremely valuable. Further information about bureaux which were not personally contacted was available from dispersed sources; information about the bureaux of one of the agencies in three countries was available from the data collected in an earlier study in which the author participated.[1] From all these sources, in addition to published evidence, it is possible to define the major features of agency news-gathering.

In what follows, the questionnaire evidence is used as a starting point, then backed up with evidence gathered in interviews and from other sources. The fifteen completed questionnaires included 3 from Reuters' respondents, 3 from UPI, 4 from AFP, and 5 from AP. The European agencies therefore accounted for 7 and the American agencies for 8. This number of course is too small for fine distinctions. The countries they represented included two medium-sized West European countries, two mid-Eastern countries, two Asian countries and three South American countries. The respondents were bureau chiefs

in all but two cases; in one instance a night editor answered the questionnaire, and in another the respondent was a stringer - the only representative of the agency in his country.

There were over fifty interviews with UPI personnel, of whom 23 were bureau chiefs, and the rest were mainly editorial executives in New York, London and Washington. Others were bureau correspondents. The total number includes two reinterviews of bureau chiefs who changed their location in the course of the study. There were fifty-seven interviews with Reuters journalists, of which twenty-five were with bureau chiefs. Twelve of the total number of interviews were reinterviews, often with personnel who had changed their location or function in the course of the study. AFP interviews numbered 43, of which 12 were reinterviews. Eighteen interviews were with bureau chiefs. At least 40 interviews were held with AP personnel, of which 6 were reinterviews, and a total of 20 were with bureau chiefs. A further eighty or more interviews were held with newspaper foreign correspondents, national news agency personnel and embassy staff.

Further light on agency work is provided in the questionnaire responses of 10 correspondents in the United States and West Germany from the late 'sixties, in the course of an earlier study which was not specifically concerned with news agencies, but which looked at foreign correspondence as one of several 'specialist' news-gathering fields.

TABLE EIGHTEEN

28 COUNTRIES IN WHICH AGENCY BUREAUX WERE VISITED OR WHICH SUPPLIED QUESTIONNAIRE EVIDENCE: (1972-74)

Argentina
Austria
Belgium
Brazil
Cambodia
Colombia
Cyprus
Egypt
France
Hong Kong
India
Israel
Japan
Lebanon
Malaysia
Mexico
Morocco
Kenya
Philippines
Singapore
Sweden
Taiwan
Thailand
Turkey
United Kingdom
United States
Vietnam
West Germany

Geographical Scope of Coverage

The geographical area covered by any one bureau can vary tremendously. The range amongst the questionnaire respondents was between one country or territory and sixteen. Only three respondents in fact had responsibility for coverage of only one country. One of these was responsible for one very large country in South America; in the other two cases the countries were relatively small, and these bureaux, although they filed direct to their head offices, were in some senses subordinate to larger bureaux in the same world region.

These vast differences in the scope of bureau responsibility were also observed in the course of interview. Whereas most European countries attract their own bureau coverage, this is not quite so common in the less developed world. Bureau chiefs in Nairobi, Kenya, for example, tend to be responsible for six or more countries in the East African region. Of course they do have stringers as assistants in these countries, who, because of the character of communications in Africa, file direct to head office, but these stringers are in other respects junior to the Nairobi office which can direct coverage and if necessary take over. Table Nineteen indicates some other instances of multi-national responsibility, although these instances are not necessarily true of all four agencies.

The instances shown in Table Nineteen are instances of

TABLE NINETEEN

MULTI-NATION RESPONSIBILITY:

Typical Instances[1]

Bureau Location	Range of Coverage
Cairo, Egypt	Egypt Libya Sudan
Beirut, Lebanon	Lebanon Jordan Syria South Arabia Iraq Yemen
Nairobi, Kenya	Kenya Tanzania Seychelles Madagascar Uganda Somaliland Burundi
Bangkok, Thailand	Thailand Burma Cambodia
New Delhi, India	India Bangladesh Ceylon
Mexico City, Mexico	Mexico Central American Republics

[1] With variations these instances apply fairly closely to all four agencies; stringers are usually maintained in the 'subordinate' countries, and in one or two cases there are full-time but locally recruited correspondents, reporting to the major bureaux.

multi-nation responsibility for direct coverage; there are other bureaux which have multi-nation responsibility, but in the sense of maintaining a general surveillance over other bureaux in a large world region. This is true for instance of the UPI bureau in Buenos Aires, which has a general supervisory responsibility for the whole of South America, or of the Reuters Singapore bureau which has a similar role vis-a-vis South East Asia.

Bureau Size

The size of agency bureaux also shows great variation, in terms of the number of full-time staff each employs. Among the bureaux covered by questionnaires, the range was between one and 148, but this included one bureau which claimed ultimate employment responsibility for a number of other bureaux in its region. Eight of the questionnaire respondents said their bureaux employed between 6 and 15 full-time staff.

Not all full-time staff are journalists, however. Journalists were defined as "staff who spend all, or nearly all, of their time directly engaged in news-gathering or news-processing". Among the questionnaire bureaux there were between 1 and 98 such journalists; in ten cases the number of journalists ranged between three and fifteen.

The fifteen bureaux covered by the questionnaire accounted

for 194 full-time journalists between them out of a total of 364 full-time staff. In other words, 53% of these agency staff were directly engaged in the news process; the others were ancillary staff, including messengers and technicians.

Most of these agency journalists were generalists, with no specific function other than the gathering or processing of news. Of the 194 full-time journalists, only 39 or 20% were specialists, that is, journalists who spent at least half of their working time covering only certain kinds of news. Of the 39 specialists, 24 were accounted for by the one regional bureau in the sample, answering for all the bureaux within its area of responsibility. The others were accounted for by six bureaux. Thirty-four of the 39 specialists in fact were photographers, their speciality lying in a technique rather than a news-field therefore, all of them employed by the two American agencies (the European agencies having no general news photo service). The remaining five specialists included two whose specialism was sport and three who covered mainly political affairs.

In addition to their full-time reporting staff, the fifteen bureaux recruited the help of at least 187 stringers (because one bureau refused to give a precise number, the total figure is imprecise). The number of stringers per bureau ranged from 2 to 35. This did not include cases where special arrangements had been made for journalists of local news agencies to report for a global agency

bureau. Sixty-six of the 187 stringers, or 35%, were not paid a retainer, but were paid in terms of lineage used. The majority of the stringers therefore, had a more secure relationship with the agency than would be implied by an arrangement based on lineage or results alone. On the other hand this is the kind of stringer more likely to be a reporter for some other news medium. In emergency an agency can usually find other sources very quickly.

Most of the full-time staff were resident in the country in which the bureau offices were based, and not in the surrounding countries or territories for which the bureaux were respondible. Of the 364 full-time staff reported by the questionnaire respondents, only 30 or 8.2% were resident outside the country in which the bureau was based. Of these, twenty-one were full-time journalists, or 10.8% of all journalists. Only one of these was a 'specialist' - a photographer.

These findings indicate therefore a high degree of centralization of agency operations based on the bureau office. The fact that one bureau may be responsible for several countries is not compensated for by any strong tendency to locate full-time correspondents in the surrounding territories on a residential basis, even though physical communications between these countries are very often poor. There is a tendency to compensate for the lack of full-time correspondents by the recruitment of stringers

in those areas. A higher percentage (30%) of all stringers was reported as resident outside the country of the bureau's location than the percentage of all full-time staff or journalists. But the significant point is that more stringers are recruited in what, in the agency's eyes, is the country of main importance, than for the surrounding countries where there are fewer full-time correspondents and usually none at all.

The larger bureaux as we have seen are those situated in the major capitals of the developed world or which are well-situated to serve as regional centres. The most highly staffed of one American agency's bureaux were London (40), Paris (26), Rio de Janeiro (21), Tokyo (16), Beirut (15), Saigon (14), Rome (13), and Buenos Aires (13).

Nationalities

The questionnaire respondents were asked to indicate the nationalities of their staffs. Among the journalists there were many more locally-recruited staff than 'foreign' staff. The 'foreign' staff tended to be nationals of the agency home countries. There were three and a half times as many locals (145) as there were non-local journalists (40). This total (145 + 40 = 185) is smaller than the total reported earlier (194), because some bureau chiefs did not answer for all their correspondents. Twenty-six of the non-locals were American (the American agencies were over-represented in terms of staff in this part of the survey), 5 were British, 5 were French, 2

were Spanish, 1 was Italian and 1 was Uruguayan. The Latin non-locals were all employed in South American bureaux.

However, despite the high number of local journalists employed, it is clear that the agencies prefer control to rest in the hands of nationals of their countries or nationals of the Anglo-Saxon world. Of the 14 bureau chiefs who gave details of nationality and birth-place on the questionnaire, 13 were American, British or French, and the other was a West European.

This is very clear in the interview evidence also. Twenty-one UPI overseas bureaux were visited in the course of the research (naturally the North American bureaux were headed by Americans). Of the 21 bureaux the bureau chief was American in 12 cases, English or Australian in 6. The other three were locally recruited. Of these, one was actually a stringer, editor of a pro-Greek English-language paper on Cyprus; one was a Mainlander Chinese on Taiwan; one was an Indian in Kuala Lumpur. All three bureaux were small, tending to report to larger bureaux in the same region (for instance, Hong Kong or Singapore).

Certainly, the American and Anglo-Saxon bureau chiefs were outnumbered by local editorial and news-gathering staff, but bureau chiefs tend to be the chief correspondents and loci of control. Photographers are commonly recruited locally - in Italy, for example, all four of UPI's photo-

graphers were local. Additional information about a further 10 bureaux in the UPI network was gathered from embassy sources; of these, two were headed by American bureau chiefs, one by a Frenchman, another by an Australian. The remaining six were locals (3 in South America, 2 in Europe, and 1 in Asia), but in each case the bureau tended to be a 'subsidiary'. Over two-thirds of all 30 UPI bureaux for which information was obtained in addition to the questionnaire evidence were American, British, French or Australian.

A UPI respondent (European news executive) discussing the European situation, reported that in the region of Europe, the Middle East and Africa, all bureau chiefs were American except in four cases, and of these four cases one was Australian, one was Egyptian and two were British. He also claimed that there was a general tendency at this time (1974) towards appointing more Americans as bureau chiefs, and that this reflected the importance of the American market. An Asian news executive respondent commenting on the Asian situation in 1973 reported that in 8 out of 11 countries the principal bureaux were headed by either English or Americans, but that Americans accounted for only 14 out of a total full-time journalist staff of 74.

Of the five locally-recruited bureau chiefs in the UPI network for which information was available, four had been long-time employees of the agency. The Egyptian bureau

chief had worked for the agency since 1945; the Cypriot and Dutch bureau chiefs had worked for the agency at least 10 years, the Taiwanese bureau chief for 18 years. The fifth was a young journalist in Kuala Lumpur who at that time was under the relatively close supervision of the American bureau chief in Singapore. This evidence suggests therefore that local recruits who are appointed to the position of bureau chief tend to be extremely 'trusted' men, who once appointed are left in their bureau rather than regularly transferred as happens in the case of Americans. Few American bureau chiefs have been in one place for more than 10 years, and usually for much less. There was a tendency in the case of UPI to use English or Australians for coverage of Africa and the Middle East.

The evidence for UPI is very similar to that of the other agencies. Twenty of AP's overseas bureaux were visited, and of these 15 were headed by an American bureau chief. Of the others one had a South American bureau chief, and the others were locals of their country of coverage - in two cases, very long-established agency journalists, and in two cases heading very small 'subordinate' bureaux. Evidence about a further nine bureaux was collected: four of these had American bureau chiefs, two had British. Of 29 overseas bureaux for which data was collected 21 were headed by Americans or British.

Twenty-two Reuters bureaux outside the United Kingdom

were visited. Of these 16 had British bureau chiefs; in the other cases there was an Australian, a Chinese, a Lebanese, a Thai and two Filipinos. Data for another 7 bureaux showed that in four cases the bureau chief was British, and the others were local or non-commonwealth. So in 21 out of 29 cases the bureau chief was British or white Commonwealth.

Of 17 overseas AFP bureaux visited, 12 were headed by French bureau chiefs, and 5 by locals. Data of 8 other bureaux were obtained, of which all were headed by French bureau chiefs. French control existed therefore in 20 out of 25 cases.

In aggregate then, totalling both interview and questionnaire evidence (but not allowing for a few cases in which bureau chiefs provided both interview and questionnaire evidence) data for 145 agency bureaux was collected. Of these bureaux 97 or almost 67% were headed by Americans, British or French bureau chiefs; a further 9% were headed by White Commonwealth or West European journalists; and 35 or 24% were headed by locally recruited journalists or other nationals.

Stringers are more likely to be locals than bureau chiefs and full-time agency journalists. Of all the stringers reported in the questionnaire evidence from fifteen bureaux only 8 were American, British or French, while the remaining 157 were reported as locals. The percentage

of stringers who were locals (95.2%) was higher than the percentage of full-time journalists (78.4%). Non-journalist 'support' staff are mostly locals: of 108 support staff reported, 106 were locals.

The strength of local representation in the bureaux of global agency offices is perceived as a significant one, and many respondents in the interviews commented on this. Although most agency journalists are locally recruited such journalists do not as a rule filter into the international circulation process whereby journalists are transferred from one bureau to another; unless they happen to be locals of the United States, Britain or France.

The reason why there are not more locally-recruited bureau chiefs is justified on a number of counts. It is said that they would occupy posts which the agencies need to hold open for their own nationals, in order for them to have a line of promotion for those who work in their domestic networks or on the desks at head office. But the usual reasons given have to do with coverage rather than organizational exigency. Most important for the American agencies, it is felt, is the need to have local news coverage in any given country guided by an American, because only an American is likely to have an authentic feel for the requirements of the American market. There is also the technical problem that the locally-recruited nationals are often not up to the high standard that is generally required to feed news into a system which depends

on an English-speaking market for much, if not most, of its revenue. This is the reason why locally-recruited journalists in non-English speaking countries are often not allowed to file directly into UPI's computer controlled distribution network. A locally-recruited journalist is also more susceptible to pressures from his government or other local interests, since his property and family are immediately to hand; while to touch or put too much pressure on a foreign journalist, especially one who comes from one of the major political powers, can create something akin to a diplomatic 'incident' and in any case looks bad. Either for this reason or as a matter of inclination there is the possibility that, despite screening, a local journalist may be markedly biased, and this possibility is considered greater for one who belongs to the country he covers than one who does not. The possibility of bias makes it all the more surprising to find that in three out of the four cases on Taiwan, the local bureau chief was a mainlander Chinese - although one can also argue that only a mainlander on Taiwan would have had easy access to Taiwan government sources. The use of Greeks in Cyprus raises similar doubts about the access to the Turkish community; or the employment of Indians in Malaysia rather than Chinese or Malays. In each of these three cases of course the bureaux do not operate with the same autonomy as bureaux headed by nationals of the agency countries.

Local journalists may very occasionally be appointed as

bureau chiefs, but there are a number of reasons why it is to the advantage of the agencies to depend more on locals for the bulk of their journalistic labour. For one thing, local journalists are often considerably cheaper than the cost of maintaining Americans or British overseas at an American or British salary plus expenses. For another reason they have close grassroots experience of the country of coverage, which it is difficult for a foreigner to acquire in less than a few years. They will be more adept at speaking the local languages, and are therefore necessary for the translation of news services where this occurs, as well as for the translation of local media content.

There is a clear tendency in the interview data for the agency's home correspondents to be dominant in news-gathering: they take the best stories. The local journalists are frequently confined to the more routine aspects of agency work: monitoring the wires, and the local media, and translating.

Personal Background

Consistent data on personal background was not collected in the course of interviewing. Fourteen of the question-naire respondents replied to questions in this area. These respondents had worked for their agencies for time spans of between 1 and 29 years. . In nine cases the bureau chief had been with his agency for longer than 10 years.

10 of the 14 had worked in journalism prior to joining the agency that now employed them and of these 6 had worked for newspapers and 4 for other agencies. Of those who had worked on newspapers before, their newspapers were either provincial or regional papers of their own country or foreign-language newspapers in other countries - this experience obviously being a relevant qualification for agency work.

Respondents had joined their agency between the ages of 18 and 37, but in 13 of the 14 cases the range of recruitment age was between 18 and 26. They were all American or West European in nationality; nine of them came from provincial towns or cities of their home countries. In three cases there had been a father who was a journalist, and six others came from a middle or upper middle class background, only two coming from a working class background. Two others had had fathers in the services.

Ages ranged between 26 and 54. It is clear that it is possible for an agency correspondent to be appointed bureau chief of a medium-sized foreign bureau in his early thirties. Ten were graduates; nine were married, three divorced and two single. They had worked at their present post for between 1 and 20 years; but 10 had been at their present bureau for 4 years or less - in 6 cases, for $1\frac{1}{2}$ years or less. Twelve had been bureau chiefs from the moment of their arrival at the bureau, indicating therefore

that as a rule bureau chiefs are not recruited from the bureaux of which they become chiefs. Of the other two, one was not a bureau chief, and the other had been recruited locally.

In 1974, Reuters' respondents earned between £4,000 and £8,000 per annum; French respondents between Fr.100,000 and Fr. 140,000; while the Americans grossed $12,000 to $24,000. Only 2 respondents admitted to taking on additional work in addition to their agency duties, but one of these was a stringer in any case, and the other was not a bureau chief.

Personal data of 10 agency correspondents in four western capitals is available from an earlier survey conducted in 1968. These respondents were mostly ordinary agency journalists and not bureau chiefs. They tended to have worked on newspapers before joining their agency; half were graduates; and most of middle class background. There was no salient tendency in their political sympathies, as measured by voting intentions. Salary ranged in that year from £2,000 to £6,000, and only two admitted to earnings from other sources, substantial in only one case. Ages ranged from 22 to 53.

These findings indicate that bureau chiefs and agency journalists as a group tend to be young; their earnings are not remarkable, and American agency men undoubtedly do

better as a rule than their European counterparts. They have usually had some prior experience of journalism before moving to their agency. Bureau chiefs are moved around from post to post at quite frequent intervals, and they are rarely recruited from the bureau for which they have responsibility.

2. News-Gathering and News-Selection

We come now to the question of how news is actually gathered and selected for transmission at the bureau level. This involves (i) the organization of the task
(ii) relations with news sources
and (iii) criteria of news selection.

(i) Organization of the Task

Agency journalism is, perhaps surprisingly, very much an office-bound job. This is truest for the bureau chiefs, who in addition to correspondence must concern themselves. usually, with management and client relations.

All but one of the questionnaire respondents spent 60% or more of their time in the office, and 8 of them spent between 75% and 90% of their time there. In the 1968 survey, 8 out of the 10 respondents spent more than 50% or their time in the office, and in four cases it was 75% or more.

The single most important kind of activity in which

respondents engaged, in terms of the proportion of their total time consumed, was news-gathering and news-processing. In 11 cases this accounted for between 50% and 85% of all working time, among the questionnaire respondents. The other major time-consuming activity for this sample was bureau administration, which ranked highest in 8 cases, and this was followed by dealing with technical communications problems and activity connected with sales and client liaison. In sum, news-gathering or processing, and bureau administration, accounted for between 60% and 100% of the respondents' working time.

Within the general work category 'news-gathering and news-processing', the single most important component was the writing up of news stories: 10 respondents claimed to spend 11 hours or more a week in writing news stories. The next most time-consuming component was reading the local press in the search for new stories and in the process of keeping well informed generally. 8 of the 14 respondents who answered this question spent more time on this than anything else under the work category in question. Third most important activity tended to be the editing or filing of copy. Other activities were fairly equivalent in importance, except for 'planning future coverage' which got the lowest overall score.

Respondents were given a rather different set of activities to rank in the 1968 study, but here 'writing and sending stories' consumed the most time - nine of the ten spent

TABLE TWENTY

NEWS GATHERING OR PROCESSING COMPONENTS IN TERMS OF RELATIVE TIME CONSUMED

(High score = high consumption) *

Activity	Score
Writing news stories	50
Reading press	39
Editing-Filing copy	34
News-gathering by 'phone	27
Monitoring radio/TV, local agencies	27
Writing features	24
Press conferences	24
Sociable occasions with news sources	22
Face-to-Face interviewing	20
Planning future coverage	13
Other	9

* Respondents were given a multi-choice question to indicate approximate number of hours spent on each activity. Each time category was numbered, high numbers for long time periods; the numbers formed the basis for the score.

10 hours or more a week on this activity. Next most important activity for this sample was telephoning sources, which consumed between 5-9 hours a week in nine cases and more than ten hours in the tenth. Taken altogether it is clear that the writing process was a dominant activity for all respondents.

Respondents were asked about the extent of their travel, both within the country in which their bureau was located, and outside it, in the space of a six-month period in the second half of 1973. Most of them had spent some time outside the city, inside the country in which they were based. 8 had travelled for between 15 and 25 days in this way; two had done no such travel. Altogether the 15 had marked up 203 days of travel inside their country of coverage in the six months. A similar period, 213 days, was spent on travel outside the country in which the bureau was based, but within the region for which the bureau was responsible. Six respondents had done no such travel, but in 4 or these cases the bureau only covered one country in any case. The rest put in between 7 and 45 days' travel in this way. Significantly perhaps the most travel was in the Middle East and Indian sub-continent regions. Only three respondents had travelled outside their area of responsibility, and in one case this was for home leave in the United States. 1968 respondents also reported a fair amount of travel a year, from between 12 days to 3 months.

These data do suggest, however, a certain metropolitan bias in coverage. If there were areas anywhere near as important in agency terms as the capital city of the country in which the bureau was located, this would presumably be reflected in a higher degree of travel outside the city, in the provinces.

(ii) News Sources

The single most important news source for agency correspondents appears to be the press media of the country or countries covered by their respective bureaux. In other words, 'news' is determined to a large extent by what other journalists have already defined as being 'news', and the global agencies are partly, at least, in the business of relaying national journalistic definitions of news on an international level.

Respondents were asked to identify by rank order the most important initial source of news. The highest score (63) went to press media of the country or countries covered; 10 out of the 15 respondents or two-thirds recognized the local press media as source of at least 31% and usually more of all stories.

The second most important news source was information which the agency had solicited from individuals or organizations (score 42), followed by local radio or television media (32), unsolicited information (21) and

competing news agencies (3). 'Stringers' were added to the categories provided in a number of cases, and scored 21.

Taken together then, local press and broadcast sources are extremely important. It is significant however that these respondents believe solicited information is more productive than unsolicited information and if true contradicts to some extent the impression of passivity given by the high dependence on local media. This impression is confirmed by the 1968 data. 9 of the respondents then claimed they made more telephone calls to sources in a day than they typically received; but half felt that sources helped journalists more than journalists helped sources; the others thought it was about equal.

The 1968 survey respondents tended to think that the variety of important sources was good; they did not see their jobs depending on the maintenance of good relations with dominant sources therefore. There was disagreement as to whether individuals were more important than organizations or not, but most tended to go through public relations officers first of all in their approach to a source. Although there was not usually a dominant source individual or organization there does appear to be a dominant <u>type</u> of source in many cities; in 6 cases civil servants accounted for 60% or more of all sources in these developed western countries. This finding is very likely to be replicated in most areas of the world. Very little payment to sources for help provided was reported.

Comparatively few questionnaire respondents have been at the receiving end of serious source sanctions - retaliations that is for activity which sources disapproved of. Four correspondents had never experienced any of a list of sanctions presented to them during their experience in their present bureau. 2 had been expelled and 6 had been threatened with expulsion at least once. 3 had had experience of being refused all access to official sources and more than once. Only one had been imprisoned. 3 had been forbidden to file any stories out of the country and 4 had experienced selective restrictions on filing, even when other media were free to file as they chose. 8 had experienced informal 'warnings' a few times or often, and three had actually been subject to physical intimidation by sources. Altogether therefore the 15 respondents put up 30 allegations of sanctions, experienced at least once and sometimes quite often. However the respondents were asked about their experience in the present bureaux, and in some cases this experience was of only a few years' duration. The findings would have been more remarkable had the respondents been asked about the sum total of sanction experience. Sanctions experienced by respondents in the 1968 study were rare, usually mild, amounting to insistence that a correction appear in print or a letter of protest or correction sent to a journalist's senior. This low profile on sanctions reflected the relatively open and secure journalist-source relations of the countries covered in that survey.

3. News Selection and Processing

Respondents were divided in their feelings about the extent to which they were autonomous agents in the news-selection process. They were asked whether news-selection was always, often, infrequently or very rarely determined by factors outside their control. 8 thought news-selection was pretty much determined by outside factors, often or always, while the other 7 felt that they were usually in control. There was no consistency in the answers of respondents of the same agencies; but the four European bureaux all felt that news-selection was basically something that they controlled.

In comparison with journalists of local media in the country or countries they covered these respondents mostly felt they were freer to report whatever they considered news-worthy (9 out of 14), while 5 felt they had the same degree of freedom. However, in comparison with other (non-agency) foreign correspondents, only 4 out of 14 felt they had more freedom while 7 thought they had the same amount of freedom and 2 said they had less.

Interview data supported very strongly the impression that agency journalists felt freer in reporting whatever they wanted to report than local journalists, especially where there existed a strong degree of government control over domestic media. There are a number of possible explanations for this consensus:

1. A government's concern for internal security may lead it to exercise more caution in relation to the flow of information to its own public than the flow of information to overseas countries.

2. Harassment of foreign journalists is more likely to create an unfavourable impression abroad than harassment of domestic journalists (particularly if 'abroad' means large powerful countries which have an ideology of 'freedom of the press', and on which the smaller country in question is dependent in some way). Foreign journalists will report their own experiences, especially if they have nothing else to report other than harassment. Harassment of foreign journalists can take on the effect of a 'diplomatic incident':

3. The kind of information which the government may wish to control need not necessarily be of great interest anyway to the foreign press: the foreign press may be interested in the general character of restrictions on, say, internal political opposition, without being concerned with the instrumental details of how this restriction is achieved in practice, the kind of details which the government might find embarrassing or dangerous to itself.

4. The agencies are themselves careful to avoid what they consider to be needless provocation of the

authorities.

5. The sanctions which a government feels it can apply against foreign nationals are generally less severe than those which can be applied against its own domestic journalists.

6. Governments need the agencies to present the government point of view internationally, and need the services of the agencies to keep informed of international affairs.

7. In some countries, the revenue to the local PTT from communication costs incurred by the agencies may be sufficiently great to discourage harassment of foreign correspondents.

8. Governments may be anxious to learn how their activities are viewed by the foreign press - if they are repressive governments the foreign press may be one of the few forms of genuine feed-back available.

It should perhaps be said that this finding of relatively high correspondent autonomy may be a finite cultural phenomenon, reflecting the tolerance many third world countries have shown in the past to western media. There is some feeling that such tolerance is drawing rapidly to

exhaustion. Martin Woollacott, the Guardian's Far Eastern correspondent, argued this case in response to developments in India, Bangladesh and Vietnam in 1975 (though restrictions were lifted in India in September 1976):

> "The great era of the Anglo-American foreign correspondent, a person as privileged in some ways as a diplomat, travelling around combining the roles of adventurer, entertainer, reporter and moralist, is coming to an end. But it is to be hoped that the rising tide of censorship and other restrictions will in time recede for, in spite of all the excesses and stupidities of the western press in Asia and Africa, there is nothing else to take its place." [2]

On balance in this study, therefore, agency journalists experienced a relatively high degree of autonomy in news-reporting. But this did not altogether extend to their view of the news process as a whole. When asked which level within agency operations they considered to be the most influential over the news-flow, only 6 said it was the local bureau chief, while 4 thought it was the desk at head office, and 3 thought it was a mixture of both. In two other cases, the desk of a regional bureau was considered the most influential.

There is a tendency therefore to see power as balanced between the bureau chief on the spot and the news-processors on editorial desks at either head office or the regional level.

The 15 questionnaire respondents' bureaux put out between 500 and 8,000 words a day, in the week prior to their

completing the questionnaire. In 11 cases the output varied between 1,000 and 8,000 words a day - a very wide range. The percentage of the total daily wordage which is 'spot' news, as opposed to 'soft' news of a featurish or background nature, is very high - 75% or more in all but two cases. The percentage of news which was inter-national, that is, news directly concerning two or more countries, varied: in 7 cases it was 60% or more of news output, and in 7 cases less than 50%. These percentages of course are estimates based on the previous weeks' experience. Content analysis indicates that the international stories predominate. Respondents were asked to rank varying kinds of news within both national and international news categories. There was a clear tendency to regard non-violent political news as the most prominent category, in terms of the amount of wire space it consumed, in both national and international news categories.

Who did these respondents think they were writing for? 9 considered that their bureaux were primarily in the business of reporting news of world-wide interest, whereas 6 thought their news was of interest mainly to a specific geographical region (e.g. the Middle East). Local clients within the area of coverage were in most cases considered of little or no importance.

It is clear from the interview evidence that the agencies take the competition seriously, and that in many ways

this inter-agency competition influences the news-flow, often in the direction of greater conformity, but not always. In illustration of the latter, Reuters' response to the competition on the world-market was to try for greater regionalization and this in turn prompted the American agencies to define their task in a way which gave low priority to the need for regionalization. The questionnaire respondents were asked to say which other agencies they considered to be their most important competition for clients in their area of coverage and for clients around the world generally.

In 6 cases AP was mentioned as the most important competition for clients in the local area of coverage, twice as often as Reuters was mentioned, three times more often than AFP and UPI. DPA was mentioned only once. AFP was mentioned as the second most important competition in 7 cases, probably reflecting its good position on the South American market. This was better than the second place mentions of AP (5), UP (3) and Reuters (3). Reuters was mentioned as the least important in 5 cases, UPI in 4, AFP once. Reuters' poor ranking here may reflect the heavy representation of South American bureaux in this small sample.

Mentioned as the most important competition for clients around the world generally, AP again received most mentions (10), many more than Reuters (3), UPI (2) and AFP (2).

Reuters got the most mentions as second most important (6), AFP (5) and UPI (3), and also as the least important (5), followed by AFP (4) and UPI (3). AP's lead in both kinds of competitive position is better than it at first seems, since there were more AP respondents than any other agency: they were not able to mention themselves.

Respondents experienced agency news-work as relatively unpredictable. They were asked what percentage of stories in the previous week had required prior preparation, either a day in advance of their occurrence or more than a day. Participant-observation in other news media, including TV news-studios and newspapers, had shown that quite a high percentage of stories were predicted and in some way prepared for in advance. In the case of the agencies it was clear that most stories required no advance preparation. Eight respondents said that 50% or more of the stories of the previous week had required no advance preparation (in two cases, between 80 and 100%). In no case did stories which required preparation within a day of the news event's occurrence account for more than 50%, and very little preparation of more than a day's duration was reported. Aggregate percentage figures are shown in Table Twenty-one. This question does not cover the <u>anticipation</u> of stories before they happen, not all of which need any advance preparation. If almost 40% of all stories require some kind of advance preparation, the stories which are simply anticipated and can somehow be taken account of, however automatically, before they happen,

is presumably much higher.

In an attempt to elicit some of the news-values at work in agency news selection, a number of 'dummy' stories were prepared. Twelve stories were devised altogether, representing six pairs, each pair addressed to a specific hypothesis. In the original questionnaire the stories were not presented as pairs, in order to avoid recognition of the underlying hypothesis by the respondent. The respondent was asked to give a score to each story. A high score indicated strong likelihood that the respondent would report and file the story. Each story was scored both for a peak period and for a non-peak period in news transmission, on the assumption that there would be a difference between stories that had a poor chance of being reported under any circumstances and stories which would probably be transmitted on a day when there was not much happening.

TABLE TWENTY-ONE

PERCENTAGE OF NEWS STORIES REQUIRING ADVANCE PREPARATION

Stories requiring preparation within a day of event's occurrence	24%
Stories requiring more than a day's preparation	17%
Stories requiring no advance preparation	59%

Hypothesis 1:

For stories of approximately equal magnitude in other respects, those which are concerned with the capital city or major metropolis are more likely to be reported and filed than those concerned with the provinces.

This hypothesis followed from the observation in the course of interview that bureaux were generally located in capital cities, and that a capital city location was usually considered sufficient for nationwide coverage. Capital cities are usually the location for political and other sources which claim nationwide responsibilities and powers, and this is the kind of news which overseas media are likely to consider important. The problem with this kind of concentration is that it can over-emphasize 'official' news sources, and this can be especially problematic where there are serious differences of interest between urban and rural populations.

STORIES: i. City authorities of capital city announce extensive redevelopment scheme, first of its kind in the country.

ii. Provincial authorities of remote province announce a major new industrial drive.

This hypothesis was clearly confirmed. In all but one case, story ii about the industrial drive in a remote provincial zone was ranked <u>below</u> the story about the capital city redevelopment. If the individual score of 5 out of 10 is regarded as a dividing line between

probably not being reported, and probably being reported, with 5 or over indicating a reasonable reporting possibility, then the city development story was a possibility in nine cases for peak periods, and in 12 cases in non-peak periods. The provincial story was a possibility in only three cases for peak periods, and five cases for non-peak periods.

Hypothesis 2:

'Serious' stories about politics, economics and so on will get higher priority than 'entertainment' type stories, such as crime and human interest. This hypothesis took into account the observation that despite the importance of market factors in agency operations, the agencies are far from being 'entertainment' media; in other words, the kind of market demand made on their services is still overwhelmingly for news of those major events of significance in international relations.

STORIES: iii. Annual financial statement of large corporation in nation's major industry, shows serious losses.

iv. Known local criminal gang rob nationally owned bank of a million pounds.

This hypothesis is not confirmed: both stories are likely to be reported, but the crime story is rather more likely to be reported than the financial story. In 9 cases the crime story got better peak scores than the financial story; and the financial story got better peak scores in only two cases, the other cases being even. The

financial story did better during non-peak periods, when it received higher scores in 6 cases, whereas the crime story did best in only 5 and the other cases they scored evenly. These stories were high possibilities for reporting and filing. The financial story was a reporting possibility in 11 cases for a peak period, 12 for a non-peak period; while the crime story was a possibility in 14 cases for both peak and non-peak periods.

Hypothesis 3:

A story which concerns more than one country is more likely to be reported and filed than a story which concerns only one country, other things being equal. This is a further test of the relative importance of 'international' to 'national' news in the agency selection process, and it was predicted that international stories would get more coverage, since the agencies have a wider market for international than national stories, and because, having distinct national identities of their own they would be more likely to search out the stories that related the countries they covered to the countries of their home base, which is where their largest markets generally are.

STORIES: v. Leading opposition spokesman makes major speech attacking president/prime minister for current government economic policy.

vi. Leading opposition spokesman makes major speech attacking president/prime minister for current government foreign policy concerning neighbouring country.

This hypothesis was clearly supported. In 11 cases, the foreign-policy story got higher combined peak and non-peak period scores, and in three cases the stories tied. As a possibility for reporting and filing, the foreign-policy story was a clear possibility in 13 cases for both peak and non-peak periods, while the one-country story was a reporting possibility in nine cases during peak periods and a non-peak period possibility in 12 cases.

Hypothesis 4:

Stories with an established market interest will receive more attention than stories which have an occasional and ambiguous market interest. This was based on the observation that certain kinds of story got routine coverage treatment almost regardless of their apparent importance - especially evident in the field of sport, whereas other kinds of story of perhaps more dramatic social importance were sometimes dismissed, possibly because they seemed to be 'soft' stories on issues not defined by the agencies as of automatic interest.

STORIES: vii. National team wins place in final round of international football cup.

viii. Team of medical scientists at leading university claim major new findings in field of radiology with important implications for cancer cure.

The hypothesis was confirmed. The sports story received higher combined scores in nine cases and tied with the science story in two cases. The science story got higher

scores in four cases and nearly tied in several others. But the differences were not remarkable. The sports story was a clear reporting possibility in 15 cases, and the science story was a clear possibility in 12 cases, during peak periods. Therefore although the clear market requirement for sports news gave this story an edge on the science story it seems unlikely that major new advances in science would go ignored in the agency services.

Hypothesis 5:

Violent stories are more likely to be covered than non-violent stories, other things being equal. This hypothesis is similar to Hypothesis 2 in the sense that it also is looking at the responsiveness of the agencies in meeting press requirements for 'dramatic' coverage. The stories selected for comparison here may also serve to test another hypothesis, namely that political conflict is likely to have higher priority than industrial conflict.

STORIES: ix. Senior executive of large foreign-owned company kidnapped by guerillas.

x. Total strike at major plant of foreign owned company.

This hypothesis was very clearly supported. The kidnapping story was given higher combined peak and non-peak period scores in all cases, and the difference was considerable. In all but one case the kidnapping story was considered exceptionally newsworthy, whereas the strike story was a possibility in only three cases for a peak

period and 7 cases for a non-peak period. The indication is that labour stories, especially non-violent labour stories, receive very low priority indeed in the agency selection process, and this is also confirmed in the content analysis findings.

Hypothesis 6:

Stories originating from 'reputable' local media sources have greater likelihood of selection, other things being equal, than those originating from local media sources of doubtful or ambiguous reputation. An established national newspaper in other words is likely to be taken more seriously than a sectional interest paper. This is of course a reflection of normal journalistic practice; the danger is that good stories from doubtful sources might be lost if there is not available manpower to follow them up, while bad stories or unimportant stories might get more attention than they otherwise deserve simply because they are easy to come by.

STORIES: xi. Prestige daily reports corruption charges against Minister of Agriculture.

xii. Student magazine at nation's most prestigious university reports allegations of serious misconduct by top police official.

This hypothesis is easily confirmed. The more prestigious source won on combined peak and non-peak period scores in nine cases and tied in five. As a possibility for reporting and filing it received clearance in eight cases as a

peak period story, and 11 as a non-peak period story. The less prestigious source was a clear story possibility in only 3 cases in a peak period, and 6 in a non-peak period.

These stories can be compared in different ways of course. From Table Twenty-two the most important of all these stories in the collective opinion of the 15 respondents is the kidnapping story, which includes several dramatic ingredients: violent subversive political action involving a possibly well-known international company. This story won 13% of all score points for a peak period. Next most important is the sports story with 11.5% of all score points - the kind of story which an agency reporter would file almost without thinking. Next most important with identical peak scores are the opposition speech on a government's foreign policy, and the bank robbery story. The corruption story, originating in a presige paper, is fifth most important. These five stories, out of a total of twelve, account for 55.6% of all score points in a peak period.

Several scores for non-peak periods were appreciably higher than those for peak periods. Story i. for instance had a 60% greater likelihood of being chosen in a non-peak period than in a peak period. This is especially important as a consideration for those stories with relatively low chances of selection in peak periods. Where the peak score was high, there was less difference, as one would

TABLE TWENTY-TWO

TOTAL STORY SCORES *
(15 respondents)

Titles	Story No.	Peak-Period Scores	Non Peak-Period Scores
City	i	69	110
Provincial	ii	33	59
Serious	iii	90	107
Entertainment	iv	113	123
National	v	92	104
International	vi	114	122
Established market	vii	125	133
Non-established market	viii	104	114
Violent	ix	143	139
Non-violent	x	88	140
Reputable source	xi	78	91
Non-reputable source	xii	37	58

* Story scores computed from total score points allocated by respondents on 1-10 point scales.

expect, between peak and non-peak periods - this kind of story tends to go out whatever the circumstances.

The scores sometimes fluctuated widely between respondents. Story i., for instance, received a 0/3 rating for peak and non-peak periods respectively by a European bureau, and a high rating 8/10 by a South American bureau. This may reflect the differences between countries: since news values are in part determined by the local environment. A city development scheme may be old news in a European country, but perhaps more newsworthy in a developing country. Other stories, such as the kidnapping story, were consistently marked high. There appears to be greater consensus about certain kinds of story than others.

In addition to the story-pairs, respondents were offered four more stories and asked simply whether they would or would not report them. These stories were devised in the light of interview suggestions that there were certain kinds of story which were treated with a great deal of conservative caution by many agency reporters, not just for self-protection, but to preserve access and good relations with sources for times of greater importance.

STORIES:

i. Monarch/prime minister arrives drunk at annual celebration function and is incapable of delivering his speech.

ii. Wide-scale torture of political dissidents by army and police - talked about in opposition circles, and confirmed from meetings with victims.

iii. Detailed leak of closely-guarded secret deal to buy new missiles from major power.

iv. Outbreak of factionalism in ruling party threatens position of chief executive.

There was only one 'would not report' and three no answers, indicating therefore either great fearlessness or simple unwillingness to commit 'would not report' answers to print. Alternatively the outcome may have been different with a different sample of countries. As it is, the assurances that respondents would report these stories were several times accompanied by qualifications to the effect that the stories would have to be impeccably sourced; one major problem in news-gathering of course is that it is often difficult to find an impeccable source for a story that few people want to admit to, and especially difficult if an 'impeccable' source needs to be someone of high official status. There is also the question of when a respondent chooses to quote his own observations as an impeccable source.

Summary

The bureau then is the most important level of agency operations: the point at which day-to-day news-gathering is organized and at which local liaison with clients is maintained. Individual bureaux can cover from one to sixteen or more countries or territories; they vary tremendously in the numbers of full-time staff, journalists

and stringers they employ; few of these are specialists and most are resident in the country in which the bureau office is based, even where that office covers several countries. Most staff are locally recruited, but the bureau chiefs and senior correspondents are generally nationals of the agency's own home country. Agency news-gathering is mainly an office job for many bureau chiefs at least, and the single most important activity is writing and transmitting stories. While there is some travel, it appears that coverage is mainly metropolitan. The single most important news source in agency journalism is the range of local or national media of the country or countries covered. A number of factors emerge as important in the determination of news selection, including for instance the rural or urban character of a story and the reputability of the originating source. Whether or not a story emerges during a peak or a non peak-period of office activity is also very influential.

1. Tunstall, Jeremy: Journalists at Work; Constable; London 1971.

2. Woollacott, Martin: Where no News is Bad News; The Guardian, Wednesday 27th August, 1975.

CHAPTER ELEVEN: Source Control and Agency Coverage

News selection is not simply determined by the activity of newsmen, but is the product of a relationship between newsmen and news-sources. Sources can be more or less accessible. Agency news, it is clear, focuses very much on news of political and economic elites and elite organizations, and these wield considerable resources which can be used to control the flow of news about themselves or about affairs in which they have interests, and to sanction those who threaten to undermine such control. This is especially true of governments, and it is the control of political sources with which this chapter is most concerned.

Government control over news flow takes two basic forms, positive and negative. Negative control is achieved through formal censorship, and formal censorship occurs either before or after publication. In the case of pre-publication censorship, there is little chance that anything unfavourable to the government's interest can appear in the media, since media material is vetted by government-appointed agents in advance of public appearance. If censorship occurs after publication, greater discretion is allowed the publishers. Where this happens, media publishers are expected to define for themselves, perhaps in the light of established 'guidelines for the press', what it is they can or cannot print. They may make an error, or ignore the guidelines, but either way they do so at the risk of

penalty. Formal censorship can be considered in the light of other variables: for instance it can either be specific, in which case the area of application is limited in a relatively unambiguous fashion, or it can be comprehensive, where blanket control exists over almost every area or topic.

Positive censorship is a more subtle phenomenon, and implies a more active and developing kind of relationship between sources and the media than exists under formal government regulations. It is a form of manipulation whereby the appearance of media freedom is maintained, while in practice the government employs a variety of mechanisms to ensure it receives favourable coverage. These mechanisms range from intimidation to heavy-handed public relations activity.

1. Source Control Through the National Media

News control by positive or negative censorship affects the local or national media of any given country first of all. We have seen that agency journalists in general feel freer to report whatever they consider newsworthy than journalists of the media of the countries they cover wherever there is substantial government control over the media. The measure of control exercised over the local media is therefore not necessarily equivalent to the measure of control exercised over the foreign media: it may well be greater, and occasionally less. One would

nevertheless predict a positive correlation between the two kinds of control: although agency correspondents may be freer to report than local journalists, the very restrictions imposed on the local media will also be restrictions on agency journalists, since their most important sources of news, as we have seen, <u>are</u> the local media. Control of local media by governments therefore must be considered as forms of control on <u>all</u> coverage, whether local or foreign, and this section will examine modes of local media control as examined in the course of interviews with agency respondents.

Overall, local media generally have at their disposal more resources for the coverage of the country than does the foreign press, or a single agency bureau. Precisely because the local media are local, they are closer to the country and the people than the foreign press corps in terms of language, family and business ties, cultural assumptions. The grassroots access of the local media is probably superior to anything the agency bureaux can achieve. The agency bureaux achieve this kind of access through employing local media journalists as stringers. If the local press is relatively unfettered in its coverage of domestic affairs, it becomes a steady source of stories: the agency will use domestic stories from this source which it would never have gathered for itself or from any other source if these stories were not presented to it in this way. Naturally, the agency may make checks to ensure the accuracy of the stories it uses, or to add an inter-

national angle. But the spade-work will have been the work of the local media. Even where the local media are not sources of specific stories, they are sources of general experience, an indicator of the general situation, which an agency journalist may use to develop an impression for himself of some of the answers to the more speculative of political problems: how secure the government is, how will it fare in the forthcoming elections, what factions exist within the cabinet on a certain issue, etc.

Illustration of the importance of local media was provided in interviews held with agency correspondents in the Philippines shortly after the introduction of Martial Law in 1973. The agencies are the primary sources of news about the Philippines for the outside world: there were no other full-time foreign correspondents based there at the time of interview. Martial Law had been accompanied by the initial closure of all newspapers and was followed by a period of close government control over the media, those newspapers being allowed to appear which were owned by interests close to the government. Correspondents felt that this made coverage more difficult; before, they had had the benefit of what was considered the freest media system in Asia, but now it was apparent that there were simply fewer stories 'about'. Knowledge of what was happening in the southern island of Mindanao, for example, scene of a Muslim secessionist movement, was limited not only by military restrictions on access to Mindanao, but also because Manila TV stations were less enterprising

in sending down film crews to cover the situation, for fear of government disapproval and reprisal.

The purpose of government control over the local media is of course to silence the voice of opposition, and to enhance its own. Sometimes the policy is selective: certain opposition voices are eliminated whilst the rest remain free to express their, presumably less threatening, opinions publically. Such silencing of opposition, which often extends beyond the literal meaning of the law, as in South Africa's anti-communist legislation, can make the agency correspondent's life more difficult. The legitimate organs of opposition expression are closed to him. He can no longer look to them to represent an existing and perhaps widely-held point of view. If he wishes to pursue the matter himself he may have to go slightly 'underground'. He is obliged to hunt a little more than he might have done. Assuming he is successful, he will still have problems about sourcing the information, without provoking official reaction. For the agency correspondent the problems are greater than for the newspaper correspondent who generally has less to protect (i.e. no 'clients' in the country; usually no extensive material assets). Where the repressed opposition voices do indeed represent a significant, and perhaps powerful movement, as it is arguable they did in Turkey in 1971 (enough to provoke widespread military rule), then the problem is very important from the viewpoint of those interested in accurate, comprehensive political information

on an international scale.

A government which denies legitimacy to a point of view, or to a means of expression, may also succeed in forcing a foreign correspondent to adopt 'illegitimate' means in his search for information. It may also push those voices it has declared illegitimate into greater dependency on the foreign press corps for expression, as appears to have happened in Moscow in the late 'sixties and subsequently. If these voices are in fact unrepresentative of significant power groups in the country, and if the foreign press corps is also restricted in its access to established sources, then a situation may arise of over-dependence on unreliable sources of information. If the voices are representative of significant power groupings, or it is possible that they are, then the correspondent is obliged, by the definition of his task, to risk possible involvement in illegitimate activity. He may not meet the obligation however if the risk entailed is too great, and in this case there will certainly be a net reduction in the quality of coverage of the opposition voice in question. Alternatively, restricted access may lead to more attention being given to a certain group than it might otherwise have received, either provoking the government to further restrictive measures or exposing its threats as harmless. In one way or another then, a government's action to deny legitimacy to certain voices through the local media, can endanger an agency correspondent and through one of several possible effects, reduce the

validity of an agency's output concerning that country.

Singapore Case Study

There are many reasons for thinking that the quality of the local news media does by and large determine the quality and quantity of news about current events in the country which is released to the outside world.

Singapore 1973, is an example of a country where domestic news received little attention in the coverage of the agencies or of the foreign press generally. Several agency respondents from South East Asian bureaux in interview explained the Singapore situation partly in terms of agency preference for stories of international as opposed to strictly internal significance. Government control over the media in Singapore was largely informal, but rigorous to the point that it was difficult for a visitor to the country to gain any coherent sense of what the government in Singapore was doing from reading the daily press. Papers thought by the government to be even mildly critical were sanctioned. Others which were not critical were kept in check by telephoned advice to editors concerning what they should avoid and what they should draw attention to.

When the Singapore Herald started in 1970 it provided what was considered by many agency journalists to be the only important source of competition to the leading Singapore

newspaper, the Strait Times, and the only source of criticism of government activity. The government began to make life more difficult for the Herald. One means employed was the withdrawal of advertising by government agencies. When the Herald ran into financial difficulty, the government exerted its influence to discourage would-be lenders from putting up the necessary capital„ Plans by groups of the paper's supporters to turn the paper into a public company were finally thwarted when the government refused permission for this to happen. The paper eventually closed down.

Although the local press was advised as to what it should or should not publish, agency respondents claimed that they themselves did not receive such advice, or did so only occasionally. This bears out the general rule that where there are press restrictions on local journalists, the foreign correspondents enjoy at least marginally more freedom. Though there were restrictions on what they felt they could safely report from Singapore, agency respondents claimed that anything 'really newsworthy' got through.

The inherent danger to accepting this state of affairs is of course that eventually the 'really newsworthy' events are redefined to mean 'the most interesting of the things that we are allowed to report'. One respondent in Singapore admitted for example how difficult it was for the foreign press to break through 'the veil of secrecy'

which surrounded government policy and behaviour. There may be stories about which the journalist feels certain, but for which it is impossible for him to obtain satisfactory authoritative sources. And if he can source his story satisfactorily it can happen that the source will authoritatively deny it once the story is released, so that the consequences for the reporter may discourage him from taking further risks.

Government control of the local media can be both informal and effective. The kind of informal control which operated in Singapore would have no doubt <u>become</u> formal if it had seemed not to work. That it did work is related to the one-party system in Singapore, the conservative character of the media proprietors who remained in business and whose primary motive was commercial, and the weakness of opposition elements.

Informal Local Media Controls

The variety of informal government and other source controls over domestic media is immense; some of those encountered in the course of research are here described, but these are hardly exhaustive. Bribery is a common enough mode of control, particularly where the basic wages in journalism are very low in comparison with other middle class and professional occupations. In Manila before the period of Martial Law in 1973, newspaper journalists would expect to earn more from pay-offs from news 'sources' than they would from their own papers.

These news sources might include government ministers or businessmen. Other factors that help explain the adoption of bribery as a mode of control where it occurs are the existence of only a low state of professionalization of journalism, so that standard patterns of training, recruiting and operation are non-existent; and where social values permit the offer and acceptance of money or gifts as a mode of achieving power, or of acquiescing to it, as acceptable.

A government may choose to control the domestic media in a more fundamental way than through intimidation, censorship or bribery. Indirectly it can buy the good will of the media through the control of resources and facilities on which they depend. Advertising is one such source, and the importance of government advertising will vary with the availability and volume of other sources of advertising and the extent to which revenue can be raised from circulation and other means. Other resources and facilities over which many governments have control are publishing licenses, newsprint allowances and communications subsidies. Fearing the loss of such benefits, the press or media in general may tread more carefully in their treatment of the government that they would do otherwise.

After the New York Times had made its decision to publish in serial form the 'Pentagon Papers', an agency bureau chief in Paris conducted an impromptu survey of several leading Parisian publishers to discover what they would

have done in a similar situation. None said they would be prepared to print such highly classified documents if a similar situation arose in France. The most common reason given was that the government had too many ways of hurting the financial interests of their papers.

An important method of government control over both domestic and foreign media which has already been discussed at length is the establishment or manipulation of a national news agency. The national news agency may be the sole source of national (in the sense of nation-wide) news: a foreign agency which can cover the capital city for itself will often be happy to depend on the national agency for non-capital news most of the time - of course, usually quoting the national agency as source. If the subscription to the service of national agency seems less than the cost of maintaining a network of stringers, the national agency might be preferred to the stringer network if a choice between the two has to be made in a situation of scarce resources.

A relationship appears to exist between the perceived adequacy of a local agency and the maintenance of stringer networks. An agency bureau chief in Tel Aviv reported that the limited service of the Israeli national news agency (which at the time covered only police, courts and airport arrivals) necessitated the employment of a large stringer network. The Israeli agency is co-operatively owned by Israeli newspapers, which were worried that if the agency

expanded its coverage, there would be fewer jobs for journalists on newspapers. The relationship is again demonstrated in Malaysia where one of the world-wide agencies chose not to subscribe to the Malaysian news agency, Bernama, because the local agency correspondent calculated that he could get more reliable coverage for less money by depending on his network of stringers rather than on Bernama.

Controlled Press as Agency Source

Control of the press by the government, in whole or in part, does not necessarily mean that the press becomes a less reliable source in practice. Much depends on the kind of government, the kind of press which existed before press control, and on the definition of 'reliability'. In the Philippines, the introduction of Martial Law and of 'press guidelines' issued by the government, made the Manila press in some ways more informative than they had been previously. Before the introduction of Martial Law the press in the Philippines was renowned for being one of the freest in South East Asia: on the other hand it was also virulently anti-government, in the interests of big business groups which controlled the media, and often accused by both friends and enemies of the government of sensationalism. Under Martial Law, the fettered press possibly became a better source of news about government policy and action than it had previously been: it is conceivable, if unlikely, that this was more in the interests of the masses of the people, at that point in Philippine

history, than a press run by business groups which might have had a lot to lose from changes which the government was attempting to introduce.

A government controlled press is unlikely to carry criticism of the government. Yet under certain circumstances the accurate presentation of one side of a picture, even if favourable to that side, invites its own criticism, or contains it by implication, almost as well and perhaps better than an approach which fails to give an accurate presentation of any side to a controversy. This is no justification of press censorship; but a recognition that where the press is part of the process of power struggle the existence of an ideology of free press is not always adequate protection for the reader.

In the context of international news flow therefore, it is worth observing that the existence of government control over domestic media does not mean that the absence of such control would provide more or better information of itself. However, since it is unlikely that foreign journalists will be refused access to the kinds of information which pro-government newspapers print, the existence of government control should never be a distinct advantage to them, unless they are led by the government's opportunity to present its case through the national press, to ask questions or to consider issues and frameworks which before had escaped their notice.

To know how press control can affect the 'quality' of the national media as sources it is necessary to define the ingredients of 'quality'. National media have four major uses for agency and other foreign correspondents: when (i) the media are valid - the information printed or conveyed by them is generally 'true', refers to events that have actually happened, and statements that have been made, without any deliberate engineered intent to distort or confuse;

(ii) they are reliable - they keep to the same standards of news-coverage over time, and over all categories of news;

(iii) the media are a forum for one of a number of viewpoints which may or may not be accurate, but are considered newsworthy by virtue of the fact that they exist and are attributable to recognizeable persons or organizations considered to have influence of power;

(iv) the media, singly or as a group, represent the voices and interests of different classes, sectors and other divisions of the country, with no important exception.

Where government or other source control tends to reduce the scope of any of these four functions then some decline in national media quality as agency sources may be said to have occurred; but where controls simply detract from

the usefulness of one function but enhance that of another, an overall assessment may be difficult.

It is not simply national governments that control national media. Political parties, foreign governments, business interests, religious organizations and private individuals all contribute to the shape and colour of the national media in many parts of the world. Their respective motives, resources and significance have to be assessed by the agency correspondents. The press in pre-civil-war Beirut for example, was notorious for harbouring media outlets which were in fact subsidized if not controlled surreptitiously by different political interest groups. Says one respondent:

> "It takes skill to identify the valuable from the worthless. Many of the papers are subsidized by Arab governments or movements, though it is difficult to find official information to this effect, and sometimes stories are deliberately planted. One carried a story recently which claimed that the Iraqui Prime Minister had been assassinated. In fact the man had been in hospital for two days for the treatment of a natural complaint."[1]

Beirut was a centre for espionage as well as a meeting point for Arab politicians and businessmen, and was the home of many exiled politicians, especially from Syria. Access to information here was generous by comparison with neighbouring countries and some of this information was of potentially great significance, as when, for example, it reflected upon the contemporary state of Israeli-Palestinian or Arab relations. It is important therefore for agency reporters to study the local media well, and to gain some

idea of the relative merits of each publication in terms of the factors which have been used above to define 'quality' of media for newsmen.

A press which is largely controlled by government, party-political or business interests, is not necessarily a less valid or reliable source of news or of general information about how institutions work and events occur in any given country, than a press which is run solely on commercial principles. In the western world, and in particular, in Great Britain and North America, there is a tendency to equate mass circulation newspapers of comparatively neutral politics with the western ethic of journalism which places great value on the concept and the possibility of objectivity and impartiality. It is assumed that the search for mass markets leads to a toning down of any pre-existing tendencies to support one political or interest group or another. Though some bias will be retained, this is watered down sufficiently to be acceptable to opponents of the view upheld. This equation, insofar as it can be supported, may tend to work best only where parliamentary democracy is institutionalized, where a large degree of autonomy is conceded to non-political organizations, and where the principle itself is adjusted to suit the requirements of consensus-bound politics. In other countries, where a presidential or similar authority can control the media without accountability to a democratic body of any substance, commercially-run media may be less informative than those run by organizations with moral or other non-

profit goals. Also, in countries where the potentiality of mass circulations is limited by geographical, linguistic, racial and other national characteristics, there may not be the same pressure towards non-partisanship as occurred to some extent (often exaggerated) in Great Britain and North America. That there is some connection is indicated by the transition at the time of the 'Northcliffe Revolution', which was primarily a revolution in marketing. Before this, the press was largely controlled by political parties.

Commercialism, then, is not in itself a guarantee of better 'quality' than any other media principle. Commercially-run media, for instance, may be more than anxious to co-operate with national governments in order to protect their investments, whereas papers with other objectives may offer more resistance. The commercial paper may retain a high degree of 'professionalism' in its journalism, and the other papers may display much bias and selectivity. However, professionalism is as good as the phenomenon to which it is applied. A commercial paper may simply ignore certain issues or events, and yet be considered 'professional' in a technical sense in its coverage of the events which the government does not find threatening. A non-profit paper, on the other hand, with an axe to grind, may be very biased, and in this sense unprofessional, but it may be much more informative at least in identifying what the real issues or the most significant issues are and the possible viewpoints that

may be taken on these issues.

2. Access and Source Control

The question of access is central to the very concept 'journalism' in western society, which assumes a 'public right to know', and whose practice in western countries depends on the ability to gain access to sources of information and to obtain meaningful responses to questions put to such sources.

The term 'access' refers to two aspects of the source-agency relationship: the ease or difficulty with which a journalist makes contact with a source; and the readiness of a source to initiate contact with a journalist. Where the source initiates contact there is, on the surface, very good access.

A distinction needs to be made, however, between access to a source and access to information. Ease of access to a source in the physical sense does not ensure ease of access to information. Many journalists tend to assume that the second follows the first. There is a corruption of the western philosophy of journalism which assumes that these two things are identical; that it is sufficient to approach those sources which by common consent (as expressed in the concrete institutionalization of social power differences) should be the most authoritive, with scant regard for the fact that such sources are often under great political pressure to be as uninformative or even as misleading as

they can possibly be. This corruption of an occupational ideology is also bound up with the phenomenon of news personalization, which removes responsibility for accuracy from the journalist and places it on the source. News-personalization is thought to attract greater audience attention; it also routinizes the journalistic task, since it identifies news issues with news sources, and implies that all information can be gathered through a rudimentary set of face-to-face contacts. The norm of 'impartiality' can be upheld in this fashion on the basis that persons representing opposing view-points or interests have been included in the set of face-to-face contacts chosen, no matter how insubstantial the expression of these viewpoints may be.

In practice, therefore, journalism and agency journalism included, is as much about reporting people's opinions about the facts as about the facts themselves. Opinion is not necessarily distinct from fact, of course: as a social phenomenon an opinion <u>is</u> a fact and may have concrete social consequences. News personalization, understood in the sense described here, is not therefore wrong, so much as half a task. Agency journalists do a lot of opinion reporting - for instance, the 'reaction' story is standard procedure; when an event occurs in one country that has consequences for others; agency journalists in those other countries will ring prominent news sources to quiz them on their reactions to the latest developments. This kind of reporting is a form of news personalization.

Agency journalists do not engage in much reporting of an 'investigative', even of a deep background kind. AP does have an investigative team in Washington, enterprise reporters and specialists for domestic US affairs, and produces a certain amount of background foreign coverage: this would not represent more than 10% of its entire output, and this is far more than the other agencies attempt. Reuters senior executives have actively denied that reporting of this kind can be a normal function for agency organizations.

The agency journalist therefore spends much of his time in the kind of mechanistic activity implied by news personalization: the search for people rather than for information as such. The information is not all that important so long as the right source is tapped, and an 'authoritive' quotation supplied. In this way the agency correspondent becomes a messenger, his role to convey the news of events and statements of spokesmen for established power groups in any given country, on whom he also depends, often enough, for much of his information about those who are without power. This is not to deny that this is the role perhaps imposed on him by the needs of those clients with most market leverage, or that the character of international relations is especially bound up with managed impressions rather than substantive exchanges.

Precisely because the agency defines its task in such a

way as to exclude, in day-to-day reporting, analytical explanation, or even in-depth historical and descriptive examination, it is inclined to personalize news. The agency journalist becomes more dependent as a result on established sources and his ability to gain access to them. It is the authority of these sources which makes them important for the agency journalist. The fact that precisely because they are authoritive they may be the most dubious sources, if not deceitful, that they may use the channels of access simply as means of news-management, cannot influence the agency journalist too much because these are sources he cannot afford to alienate, and their kind of news is what he is in business to gather, regardless of its meaningfulness and to whom.

Access as Censorship

Restrictions on access to sources, if only through the forced mediation of public relations departments, is a form of censorship. By the creation of obstacles between himself and the journalist, the source makes access a privilege which he can grant provided certain conditions are met. The journalist holds certain bargaining points as well, of course - most notably his access to other alternative sources of information; the source-journalist relationship is a reciprocal one, not always of equal strength for each party, but usually requiring some compromise. But because agency correspondents are essentially foreign correspondents and because coverage of a country from the

point of view of international news requirements tends to be concentrated on governments, the reciprocal relationship between agency and government is heavily weighted in favour of the government. This does not prevent the agencies from getting across the essential ingredients of an exhaustive coverage, but they are obliged to do so in a very low-key manner, and to behave with great caution in the short-term.

Compromise can begin in gaining access to a country. This is especially true of western media in general when gaining access to communist countries: the price paid for access is considerable observance of the restrictions imposed on coverage, and this is a sacrifice in terms of professional ideology as well. A dramatic non-agency example of this is the compromise of Japanese media journalists in gaining access to China, when in 1968 Japanese media agreed not to pursue a hostile China policy, nor to obstruct the return of 'normality' of relations between the two countries. Observance of these principles appeared to modify Japanese press coverage of Chinese events in subsequent years, especially in connection with the Lin Pao affair and the question of Japan's position with regard to the China-Taiwan relationship, in a direction more in line with the official Chinese viewpoint.

But when an agency sets up a bureau in a country where there is little likelihood of being able to file anything out which does not suit the government, it does at least

retain editorial autonomy in the final treatment of the dispatch, and can combine material from the country with reports from alternative sources. This is less of a compromise therefore than actually signing away the right to editorial autonomy on certain issues, which it appears the Japanese media did do.

Just as extremely difficult access represents a major problem in international news coverage, so too does '<u>excessive</u>' access: excessive access is also a potential mode of control, control through confusion or distraction. Certain sources bombard journalists with information. Agencies, concerned as they are to cover all the basic events of the day, may be trapped into spending too much time on events that have been created for them. The danger arises from over-dependence on government sources, the very sources which have the most reason and the most resources for an elaborate press relations machinery. If the government is seen as too important a source, then whatever emanates from that source tends to carry a certain significance regardless of its content.

In recognition of this problem, an agency Senate correspondent in Washington reported that his agency no longer tried to cover all committee hearings, of which there were on average twelve a day. Adequate coverage of them all would, in any case, produce too much material for the wires to carry:

> "The criteria of selection have more to do with newsiness than with the significance of the

story for the nation in itself."[2]

The sheer number of formal events places a limitation on the agencies. A Washington bureau chief reported that:

> "Anyone who can is encouraged to dig. But in places like Congress where there may be forty or fifty on-going committees at any time it is difficult. The higher the number of formal events there are to be covered, the less time there is for digging."[3]

This respondent's bureau had not changed size, in personnel terms, for at least ten years (at the time of interview in 1972), despite the growth of federal government functions in that time. There have been technical innovations which may have reduced the need for some editorial staff, but on balance it seems that editorial coverage has remained fairly constant in strength.

With limited resources, the agencies are often unable to exploit increased accessibility. A respondent in Tokyo, referring to restrictions on access imposed by the press clubs on foreign correspondents who wish to attend regular ministerial conferences, says

> "Even if tomorrow all entry restrictions were lifted, none of the agencies would have the manpower to staff each of the main ministries. The result in news coverage terms would be exactly the same."[4]

On its home territory, a global agency often enjoys privileged access to sources, and this places the other agencies at a disadvantage. Correspondents who have had experience of both the United States and Britain or France, almost invariably report that they find the United States

the more open in source-journalist relations, so that any privileged relationship between the U.S. agencies and U.S. sources has less significance in the United States than in the other countries. On subjects of interest mainly to non-American countries, European agency respondents in the United States report that they may even enjoy better access than the American agencies. A Reuters respondent noted that when Reuters began to increase its gathering and distribution strength within the United States, many doors in the administration that were hitherto closed became open to Reuters' Washington staff. For instance, they were invited to many more selective briefings.

Where the global agency does have better access on its home ground this appears to be a function of several factors. In the first place the global agency has a much bigger reporting presence in its own country than the competing agencies; overseas clients expect it to be the best source for news of its own country and this in turn feeds the concentration of resources in the home area. Sources expect, if not better treatment from the agency of their own country, at least greater caution and understanding. And since the agency has a nationwide distribution more extensive than the other agencies, it will be considered by far the most important news medium on home affairs, and this reputation may also spread to foreign affairs. Equal treatment of all the agencies by sources would not of itself produce equal coverage. It takes time for a journalist to accustom himself to a

new reporting environment; as one respondent said of an aspect of Washington reporting:

> "It can take half a day getting in and out of the Pentagon, let alone talking to anybody there."5

This respondent estimated that it took two years or more for a trained journalist to feel at ease in the American capital, although a 'lazy' journalist would find it easy to survive on information fed to him by important news sources, often disguised as 'unofficial'.

Privileged access enjoyed by one agency can extend overseas, usually the result of close diplomatic ties between the country of the agency's headquarters and the country of coverage. It is frequently alleged for instance that AFP enjoys privileged access to indigenous elites of French-speaking Africa and in parts of Indochina; similar status is often attributed to the U.S. agencies in the Philippines and in certain South American countries; to Reuters in English-speaking African countries and the Malay peninsula. Where members of the local elite are customarily educated in the agency's base country or by nationals of that country, there is frequently a natural inclination to favour the agency in question with prior access to information. The openness attributed to U.S. sources by respondents of the European agencies is partially extended to include U.S. sources outside the United States itself. In Vietnam, where the general conduct of the U.S. sources attracted considerable press criticism, the European

agencies did not complain of unfair treatment in comparison with the treatment of the U.S. agencies, though they did perceive differences. An AFP respondent in Saigon claimed that his agency enjoyed the same official access to U.S. sources as the U.S. agencies, implying that the U.S. agencies did better in informal contacts and briefings. Though he felt that coverage by the U.S. agencies was superior to that of AFP as far as the military situation went, the advantage was with AFP in coverage of the political situation. In political circles AFP could exploit the historic links that existed between France and South Vietnam, and the fact that AFP was much better established in Saigon than the other agencies before U.S. involvement in the war. An AP respondent confirmed this view when he observed that AFP had been superior to AP and UPI in coverage of South Vietnamese politics; because of the traditional French influence in the country, some of the local elite thought of themselves as French first and Vietnamese afterwards. But a Reuters respondent took an unequivocal view of United States superiority in access to U.S. sources:

> "U.S. newsmen here have an advantage as far as access to U.S. sources is concerned. If a U.S. officer wants to talk, he will release to AP and UPI; he probably hasn't even heard of Reuters."[6]

He went on to say however, that the situation was probably the reverse in coverage of South Vietnamese sources, and added that fluent French was essential in order to cultivate either North or South Vietnamese contacts.

Where there is hostility between the agency's base country and the country of coverage, the agency often receives poorer treatment than those whose base countries maintain relatively friendly relations. The extreme manifestation of such discrimination of course is expulsion. This happened to Reuters and AFP, for example, after the Suez affair of 1956, when both bureaux were compelled to close. And in Peking, 1967, the Reuters correspondent Anthony Grey was imprisoned in retaliation for the prior arrest and imprisonment of a New China News Agency correspondent in Hong Kong by the British authorities. The U.S. agencies were not represented in Peking at that time; the only other western agency present was AFP. In practice there is a great deal of perceived identification of the world-wide agencies with the interests of their base countries by sources and clients of other countries, and this can create serious difficulties in news-gathering for the agencies in times of crisis.

Privileged access for the global agency on its home ground is sometimes matched by privileged access for local media journalists. We have seen that where there is an appreciable measure of restriction of journalistic activity, the agency journalists tend to feel freer than the local journalists; but where there is little formal restriction, the reverse may be the case. One possible case in point is Japan, where the organization of domestic journalists into press clubs often discriminates against the foreign media.

> "Major channels are still blocked. All back-grounders given by vice ministers in the bureaucracy who are the key men in the everyday workings of the government are closed. All ministerial press conferences other than those given by the Premier and the Foreign Minister are closed to the foreign press. For these the foreign correspondent has to rely on secondhand sources, and these are not often accurate. In joint U.S.-Japanese talks held in Japan, the Japanese side often does not permit access to the foreign press, so there is no way at first hand of comparing what the two sides are saying."7

This kind of situation has to be tackled through the collective activity of the foreign press, which in Japan has achieved several new openings in recent years, including access to the Premier's press club press conferences, and the thrice daily briefings given by the Chief Cabinet Secretary. The Foreign Correspondents' Club in Tokyo however has not (1973) become officially involved in this campaign for better access, because of political divisions amongst its member media representatives, who include TASS and New York Times reporters. Instead, a subsidiary organization has been established by some members of the FCC in order to campaign on a voluntary basis for improved access. But the agencies have not been prominent in this campaign: Reuters refused to become associated with the attempt to improve foreign press access to the press clubs on the grounds that the clubs made news-management by the government easier, and that they tended to reduce the number of occasions when it was possible to attribute information directly to its source. It would prefer to see the abolition of the system altogether.

The Japanese example represents one particular mode of

accommodation between the media and political systems. It is a mode of control which suits both parties. The formalization of the relationship protects journalists from each other and gives them security of access; for the source it provides assurance of 'responsible' reporting and an instrument whereby intimacy can safely be traded for press support. Similar to it in some respects is the Lobby system in the United Kingdom whereby privileged access is permitted the top media journalists. Foreign media are not given access to the Lobby. Other groups of correspondents have their own parallel clubs which, though not so exclusive as the Lobby system, function to a greater or lesser extent as a mode of mutual source-journalist control.

The mode of accommodation between the media and political systems in any given country will affect the degree of access which foreign journalists will enjoy; it will affect the overall balance of domestic coverage, and to the extent that foreign correspondents of all shades are heavily dependent on domestic media, it will affect the news of that country which enters into the international news-flow system.

The mode of media-political accommodation which is adopted tends to be a reflection of the political system itself. Where opposition parties have legitimacy for instance, the media are likely to be more critical, more investigative in their own right, than where there is no legitimate

opposition. An agency correspondent reported that in Malaysia, access was easier to achieve than in Singapore: in Malaysia, at the time of interview, vigorous opposition politics existed, whereas the same was not true for Singapore. This was reflected in the degree of openness about domestic politics and issues in the respective domestic media of both countries. But it is not simply the factor of pluralism that explains the greater openness of Malaysia in this respect. In Singapore the dominant party had clear control over the administrative bureaucracy: it was not as easy to tap middle-ranking sources there for instance as in a country where the dominant party did not enjoy such control. (It was said of South Vietnam that regardless of official anti-press attitudes at the top, it was always possible to tap good sources at lower levels of the bureaucracy.)

Access is heavily influenced by culture. Although the influence of cultural factors may be traced back to specific characteristics of the political and economic structure, foreign correspondents will often ascribe their impressions of the different degrees of access in different countries to national character or similar loosely conceived phenomena.

One very important cultural factor is the status of journalism in any given society. In many countries, especially Third World countries - countries which are heavily dependent on the great powers for economic aid

and investment - the foreign correspondent (particularly if he is from one of the world's elite media, known and recognized everywhere), appears to enjoy higher status than the domestic correspondent. The local elite may be hostile to the domestic media for its allegedly 'sensationalist' role, or its capacity for subversion, and may be correspondingly anxious to woo the foreign correspondent away from this undesirable influence by granting him privileged access; but in any case the foreign media journalist of an elite, internationally recognized and renowned medium, will often be a correspondent whom the local elite is anxious to impress, if they consider a good impression something which it is still possible to give. The extra status ascribed to him may also be associated with his spending power, if it is sufficient to put him on a par with the local elite, or at least distinguish him from the definitely non-elite. Where the local elite is very closed socially, and maintains 'ascriptive' family or class-based norms even in public politics, foreign correspondents may still experience difficulty in access, as is the case for instance in several Middle Eastern countries. In such circumstances source relationships may be established on the most idiosyncratic of bases. Even though he may enjoy greater access to the elite than the domestic correspondent in certain countries, the status of the domestic journalist will concern his foreign colleague, precisely because the latter is dependent on the former for a great deal of information. Agency bureaux generally have working for them stringers whose

principal employer is a leading newspaper or other medium of the country in which they are based.

If the local media have arrived at 'understandings' with the local elites, then the value of information which stringers on such media can supply to the agencies is limited. In the United States, for instance, the agencies are heavily dependent on the local media, and on stringers employed by the local media, for news stories in many areas. But, as Janowitz has pointed out, the community press in the United States is often tied up with the interests of the local elite, and in any case generally functions to support the local power structure rather than maintain a critical stance against it.[8]

A French respondent who made a similar observation of the dependence of AFP on local media stringers for news of certain smaller towns, and some not so small, argued that the local AFP stringer was usually known to his paper's editor and owner, and were he to go beyond the accommodation already achieved between the paper and local interests he might well be subject to reprisals.[9]

In large communities where there are sufficiently well-developed interest groups which can handle conflict, the media may be less supportive of the local power structure. However, the thesis that pluralism ensures a balanced expression of interests does not hold any more absolutely for the press than it does for democratic politics. There

are always interests which do not have the resources or the appropriate consciousness for organized opposition. But it is probably true to say that the weakness of the community press is offset to some extent by the larger regional papers.

Where there is concentration of power resources into a centralized political system, it is probable that access will be limited to fewer sources than in a more dispersed system of power; that it will be subjected to greater supervision because of the centrally directed information policies, and may also be hampered because of the unavailability of the required information or the difficulty of obtaining the appropriate permission.

3. Source Control: Censorship, Accommodation and Reprisal

From the point of view of a journalist's personal security there are certain advantages about formal censorship when this takes the form of a complete vetting of journalistic copy before it is published. Under such a system it is difficult for a journalist to transgress the law, since he is prevented from doing so. He may instead, if he chooses, exercise his talent by so phrasing his copy that messages are passed by censors which would not have been passed if expressed less obliquely. Where censorship is partial, where only certain copy but not all copy must be vetted, or where censorship occurs after publication, there is generally greater ambiguity. In

the case of partial censorship, it is often the journalist who must distinguish between copy he needs to show to the censors and that which may pass straight into print. In the case of post-publication censorship he becomes responsible even for copy which he did not believe to be illegal at the time of writing it. In such cases it is probably preferable to have press laws which leave little room for more than one interpretation of what is or is not forbidden. 'Post-publication' censorship falls within the realm of source reprisal and will be examined later in this section. Complete pre-publication censorship is, in fact, rather unusual, since even where all copy is vetted by the censors there is often room for negotiation between censor and journalist over the meaning of the relevant legislation and in the censor's commitment to firm application of the legislation.

Negotiations with the Censor: Middle East Case Study

Many instances of negotiation between censors and agency journalists were quoted in the course of the study. They are evidence of a kind of accommodation which is arrived at between the authorities and the foreign press corps in many countries, one in which the agencies are fully participant.

In Cairo, at the time of the interview in late 1971, one respondent noted that some degree of negotiation with the censors was then possible. He felt this was the

result of personal contacts he had established with MENA, the national news agency in Egypt, which handles the routine censoring except in cases where special consideration is required. Another respondent provided an instance of successful negotiation when he persuaded the censor to drop the insistence that there be a change of wording from 'Egypt' to 'Arab' or 'occupied' with reference to the lost territories. This respondent was not successful however, in obtaining permission to use the names of the guerillas arrested for the assassination of the Jordanian Foreign Minister in Cairo that year, until MENA had used them. In his opinion it was not advisable to insist too much in such circumstances for fear that dispatches might be forbidden altogether. Occasionally, the importance of a story would be worth contravening the regulation: when Nasser died he telephoned straight through to New York before the official announcement was made, and although he was cut off after the first few words, he was able to make sufficient sense. Several respondents observed that the censors were particularly unwilling to allow sourced information which had not been officially announced.

Egypt is an instance where formal censorship, at least at the time of study, was accompanied by great informal censorship of the kinds already examined. Most respondents commented on the slackening of censorship that had occurred under Sadat's 'liberalization' policies, compared with how it had been under Nasser. One claimed that only

two stories of his had been cut within the previous six months, and one of these concerned the trials of men implicated in an attempted coup the year before. Informal or indirect censorship still remained: for instance, access to ministries was difficult in comparison with many other countries in the region, and ministers tended not to provide additional information over and above prepared statements. Official contacts were rarely of good value even when established, according to another, and although with experience it was possible to get better access, it remained difficult to source the information that was obtained. And at the time the censors were even hostile to the use of the phrase 'official' or 'government' sources.

The local media were not good sources of information because of course they too were under censorship, and were in any case all government controlled. Hardly any editorials appeared which were not supportive of government policy. Some respondents found access to Egyptian journalists difficult as well, some of whom had been implicated in the attempted coup of the previous year, and may have been warned against mixing with foreign correspondents on the 'cocktail circuit'. But when access of this kind was established it could be particularly productive - younger journalists especially, usually highly educated, were often very outspoken in private. Noting that formal censorship had slackened, it was observed that access to information had not improved as a result, partly due to

the size and inefficiency of the bureaucracy: this was a difficult apparatus to dismantle because it was a critical source of jobs for the already under-employed, and with its preferment system of promotion, moved slowly.

Censorship greatly interfered with the speed of communication: censors needed to see all the copy, and in order for them to do so they forbade the direct telexing of messages, even though the agencies had telex equipment; outward communication instead had to be by radio, via MENA. This factor, in addition to the combined restrictions of formal and informal censorship, clearly seemed to outweigh any advantage in the degree of flexibility in negotiation with censors, and reduced the value of residency in Cairo in favour of Beirut. Beirut bureaux generally had higher status in the agency networks than the Egyptian bureaux. Beirut, in the period before the civil war, was better served by communications, was an excellent centre of Arab news and more comfortable to live in.

The character of Israeli censorship at this time made more explicit provision for negotiations: censorship was designed to cover any topic which might be detrimental to national security. Issues generally regarded as automatically falling under censorship at the time of interview in late 1971 were immigration, oil, committee of defence hearings, and any cabinet meetings declared to have fallen under the categories of information that were subject to censorship. These categories were distributed

by the authorities to all foreign correspondents, and a dispatch concerning any of them had to be submitted to the censors.

Foreign correspondents in Israel received a list of subject areas liable to censorship control. A dispatch concerning any of these areas had to be submitted to the censors. The agencies had an understanding with the authorities whereby they filed directly to their usual filing destination, but also telexed copy which was subject to censorship to the censor's office, and would submit the whole day's output to the office on the following day. Potentially, they were free to file out anything; in practice, a transgression was punished - an offending agency might be required to file in everything to the censor's office for clearance in advance of filing out of the country. Such a punishment might last a week or two. It would make it very difficult for the offending agency to get out any given story as quickly as the other agencies.

On strictly military matters there was little argument about censorship. But where censorship seemed to be a cover for fundamentally political issues then the press would complain, either through the Foreign Press Association or individually.

One case which fell under dispute concerned a ban on reports of oil imports to Israel from Arab countries. The authorities feared that publication of such reports might push

those Arab countries not supplying oil to Israel into taking action against those that did, or on the imports themselves. The press successfully won permission to publish. One argument used was that the ban was directed primarily against the possibility of Egyptian reprisal on oil imports from other Arab countries. But since Egyptian intelligence must surely be informed of such imports it was ridiculous to continue with the ban.

Negotiating strength is influenced by the general character of the foreign press corps at any given time. In the view of one respondent the attitude taken by the foreign press corps towards censorship in Israel had toughened considerably over time. Before 1967 in his opinion, there was a very 'tame' foreign press corps in Israel, which included only one non-Jew (a New York Times reporter). The army and the government found it easy to get away with censorship. But after 1967 and the Six Day War, which put Israel firmly back into the list of top world news stories for the next few years, the press corps was much better trained, more aggressive and less sympathetic to Israel. As a result, censorship was virtually impossible without 'Gentlemen's Agreements'. Nevertheless, a certain amount of bad feeling remained: as illustrated by the agency respondent who recalled how on occasions the censors had refused him permission to file copy concerning censored topics which had already been filed by other agencies. In another incident he was

forbidden to use material which had actually appeared in the Hebrew press, although in this case he refused co-operation.

Agency respondents felt that visiting newsmen had an advantage over them. Newspapermen flying in from the United States, in the opinion of one agency respondent, could ignore censorship with much less cost to their employers, than the agencies could afford. This was especially the case with the New York Times, he felt, because the censors stood in awe of a paper which was so widely read by the Jewish community in New York, and one which had considerable political influence on Washington. In the Autumn of 1969 a CBS reporter illustrated the readiness of visiting newsmen to violate agreements which residential agency correspondents had accepted: he reported the news of an Israeli commando raid into Egypt while the Israelis were still inside Egyptian territory, and in his news report described the event as an 'Israeli invasion of Egypt'. This made life difficult for agency journalists who had been given a prior briefing and had agreed not to report the event until after the commandos had returned to Israeli territory safely. They were now inundated with calls from their respective head offices for further information. The CBS reporter was expelled - he probably did not consider this an important price to pay for the scoop obtained. Had his news organization been forbidden representation in Israel instead of just himself personally this would not have been too serious

either. CBS could easily have slipped another journalist in under a different title, or used the services of some other journalists already in Israel. But for an agency to be banned is more serious. Certainly, such an agency could continue its news-coverage in a clandestine fashion, though the frequent contacts that would have to be made with the authorities in routine news-reporting might make a cover difficult to maintain. An agency's elaborate communications equipment might be difficult to hide as well; the cost of doing without them would be a loss in speed of transmission and hence a loss in competitiveness, or increased costs if the agency decided to use someone else's communication facilities.

Negotiation with the Censor: Hanoi Case Study

Negotiation with the censor occurs even in countries often thought to exercise rigid information control. Several examples were quoted by an agency respondent who had covered North Vietnam from Hanoi during the final stages of the Vietnam war before U.S. military withdrawal. The most general tactic is to argue with the authorities that disclosure of certain information which the correspondent wants to file will actually further their cause. During the correspondent's residence in Hanoi there was extensive bombing by U.S. planes. An obvious story for him to cover was the extent of bomb damage. But he was not allowed to specify direct targets: he was told such specification might forestall the need for the Americans to send in a plane to confirm a target-hit, and thus deprive

the communists of a chance to shoot it down. Official bomb casualties were often underestimated. When Haiphong was first bombed, official figures said that two hundred had been killed, whereas the correspondent's estimate was closer to three thousand. He argued with the Ministry of Information to be allowed to use his estimate, pointing out that this way the bombing might have a greater impact on western sympathizers. Four or five days later he was allowed to use the figure of three thousand, provided that he credited it simply to 'observers'.

It is precisely the agency's value to a source as communication channel, the fact that it is generally not seen to be identified with the source's own press or public relations machinery, that can give the agency correspondent leverage with which to seek greater freedom from the source's control over information flow.

The respondent in Hanoi occasionally wrote stories for the Los Angeles Times and Time magazine.[10] He insisted that he be allowed to write them in the style of a U.S. journalist for the U.S. market, that they should not be propaganda. He pointed out that their credibility overseas rested on the degree to which they could be seen to be free from source control. And as a result of his insistence, he claimed, these stories were not interfered with.

On one occasion he wrote a story which concerned the ten year sentence of imprisonment imposed on a young underground

jazz musician. The style of the article was slightly critical. When he was refused permission to file this story, he threatened to close up his bureau in Hanoi, and was in the process of actually leaving the country when the Press Department interviewed him and agreed that he could send the story provided that he supplied several paragraphs which explained the official position on this case - which was that anything which threatened to weaken the morale of youth in North Vietnam's period of turmoil should be suppressed. He accepted this provision.

A story which failed to get permission concerned the publication of a book detailing the co-operation between the Pathet Lao and Vietminh forces during the first war with the French. Had he been given permission to comment on the book in a dispatch, this permission might have been interpreted abroad as official confirmation by the North Vietnamese government of the existence of co-operation between North Vietnamese and Pathet Lao forces in the present war. This instance does illustrate one of the functions of censorship, where censorship is carefully applied: it tends to increase the significance of the copy which is permitted to pass.

Negotiation between censor and journalist is usually expressed through the bartering of interpretations of the established press regulations, and interpretations of mutual convenience. But it is occasionally a simpler matter of a cash transfer. Or, if the conditions allow it, it may be a straightforward agreement between the two

not to undertake undue risks: in Cambodia, in the latter stages of the Indochina war, it was said that the press agreed not to risk the jobs of the censors, while the censors agreed to let out the most important stories. A censor might take it upon himself for instance to suggest when a story would be more suitably 'pigeoned' (smuggled) out.

This extreme kind of bartering requires certain kinds of political condition: weak centralized control by the information authority over its own personnel, poor surveillance of foreign press correspondents and, perhaps, absence of widespread moral commitment to the existing order. Inefficiency may be so widespread that bartering is not necessary. Of Cambodia it was also reported that the censors had no good understanding of English, and based their censorship of English dispatches on the recognition of certain key words. This led to a number of inconsistencies.

The most effective censorship systems appear to operate wherever there is strong central government control over its own press information machinery and over the local media and communications facilities, where the movements of the foreign press corps are kept under police or intelligence surveillance, and where there is widespread popular submission to or support of the established balance of power. These conditions are sometimes met temporarily in otherwise unlikely countries at times of acute political

crisis - in Manila, for example, when President Marcos introduced Martial Law in late 1972, and in Santiago in 1973 when a coup d'etat overthrew Allende's government. In cases such as these there is sudden and tight control over the foreign and domestic press for the time it takes for the forces of revolution or counter-revolution to settle comfortably into power and for the resistance to be suppressed.

There is a form of exhaustive pre-publication censorship that does not permit of any negotiation between source censor and journalist: because it is not officially recognized. A respondent in Cyprus spoke of this secret censorship, at a time on the island when there was no official censorship. He believed, as did other respondents, that the government could monitor outgoing copy by requiring the PTT to intercept messages. In this way the government exercised control without appearing to do so. Occasionally stories were received at head offices with significant alterations or ommissions which presumably were the result of such unofficial censorship. With the introduction of direct telex lines, the respondent felt, it would be much less easy for the government to censor in this manner. Indeed, one of the respondents on the island who had already had telex installed believed that he was no longer subjected to such censorship. Evidence of the same mode of censorship came from a respondent in Bogota, Columbia, who reported that occasional 'breakdowns' of the automatic dialling on the local telex

had occurred at moments of special political stress, which made it possible for the government to monitor the outgoing messages, since these then had to pass through local communication channels in the ordinary way.

Where there is open pre-publication censorship, there very often is room for negotiation between journalist and censor over the interpretation of the rules to be followed. The items negotiated very often are of no great significance in themselves, but have importance to an agency insofar as it needs to fulfil the basic 'who, what, when, where and why' details of a news event to satisfy its clients, as well as to maintain competitiveness in speed of transmission against the other agencies and media. No journalist is likely to bombard censors with material which he does not expect them to pass: he is more likely to concentrate on other means of getting information out of the country in the required time, and in his relations with the censors will seek to have as much information passed as possible within the framework of the censor's rules.

In assessing how much the censor will accept, the agency journalist is anticipating the degree of government sensitivity on certain issues, its attitude to what he wants to say about it, and any likely reprisal the government (or any other coercive source) is likely to take if he contravenes its regulations. In effect, he generally makes some kind of compromise based on his perception of the government's attitude, and his awareness

that the government might also need the agency. In this way, understandings are arrived at between authorities and journalists, even if nothing is ever actually said directly, and regardless of whether there is any pre-publication censorship. Post-publication censorship helps generate understanding because such censorship often requires personal elaboration to make up for the vagueness of written guidelines and is effective to the extent that it is accompanied by the threat of reprisals. A journalist will generally seek to assess the kind of story which will provoke a reprisal, and his behaviour will be based on his anticipation to the extent that he considers some reprisals not worth risking.

Reprisals

Since 'understandings' are arrived at partly in anticipation of possible reprisals by sources against journalists, it would be appropriate to look at the kind of reprisals which agency respondents quoted as having occurred, and their response to such reprisals.

A frequent 'reprisal' is the official complaint made known to the agency by a source. In a sense it is not a reprisal but rather the threat of a reprisal if in future the agency should engage in reporting similar to that which the source now finds objectionable. But it is a reprisal if it acts, as it often does, as a limitation on the journalist's activities in news-gathering and reporting. For it is an expression of the power of

the source to make life difficult for the journalist and his agency. A source complaint which is not followed by a reprisal in the event of a subsequent and similar transgression leads to a loss of credibility for the source. Knowing this, a wise source will follow up warnings with reprisals. The journalist, estimating that this will be the view taken by the source, will not casually ignore the significance of a warning.

Examples of effective complaints: a Taiwanese correspondent who refrained from mentioning the state of relations between mainland Chinese and local islanders, in response to 'complaints'; a Beirut correspondent who had been cautioned by the Lebanese authorities over a story he wrote about wild celebrations on the occasion of Nasser's death in Beirut, in which many were killed and injured - he would not report this kind of incident in future, for fear it might bring back formal censorship.

An ex-agency respondent recalled how he had been in China during the period of the Communist takeover, but still behind Nationalist lines. He had made secret arrangements to visit Peking on the instructions of his London office. On the way he called in on the bureau in Shanghai. The bureau chief there was horrified that the respondent was going into Communist territory, since he feared the Nationalists would find out and in punishment deprive the agency of its lucrative business in commercial news services, or in some way threaten them. The bureau chief persuaded

the London office to take the same view, and the trip to Peking was never made. This is a clear example of how the anticipation of a reprisal can affect an agency's coverage in the direction of submission to the local coercive power.

The purpose of the complaint may not so much reflect annoyance about any particular report, but may be part of a government's policy to create anxiety among press men. An agency source in Saigon quoted a government spokesman in a dispatch as saying that negotiations between the Vietcong and South Vietnamese after the ceasefire would be held in Saigon. The government objected on the basis that the statement had not been made. The respondent was able to show that the statement had in fact been made - and received an apology. His interpretation of this incident was that it had followed a prior government decision to be tough with the press during the period in question. The government, in effect, was warning newsmen to be careful to represent its position in the negotiations accurately. In such a way can a government deliberately create anxiety amongst newsmen by upsetting their notions of what is or is not acceptable, forcing them to be particularly cautious by making the implicit rules of the information game seem arbirary and subject to sudden change.

Not all complaints made by governments are heeded. Whether they are or not depends to some extent on the particular bureau, but mostly on the general journalistic consensus

concerning the likelihood of government reprisals. This consensus will be influenced by the objective conditions of media suppression. Respondents in Columbia and Mexico, for example, were comparatively light-hearted about government media regulations in the belief that effective reprisals would not be taken.

Some reprisals have already been considered as distinct phenomena: censorship and access control. These are sometimes inspired by a spirit of retaliation against the press or certain sections of it. But severe irritation with particular newsmen is generally expressed by expulsion. This sanction can be more serious for an agency than for a newspaper.

An agency executive who had once been in charge of a London bureau and with responsibility also for the Middle East and Africa, recalled how he had been asked by the South African government to remove a correspondent whose reports on the Sharpeville massacre had caused it displeasure. The respondent said that he had agreed to have the correspondent in question replaced, and commented:

> "It is an unfortunate fact of life. The agencies must compromise. They have to keep their bureau. They have more to lose than the newspaper which flies a man in for a few days and who then goes home to write up his story." [11]

The same respondent added that though agency reporters are impartial when reporting news situations such as the Sharpeville massacre, they may not be encouraged to 'dig'

behind the superficial phenomena in the same way as they might be elsewhere where the risks were less.

In fear presumably of more extensive retaliation, and in recognition of the likelihood that a correspondent who is considered 'persona non grata' by the established sources may find it difficult to report what is considered to be the basic news of the day, the agency in the above example decided to compromise, and thereby to maintain its capacity to report at least some of the news. The result of such compromise is that certain kinds of information are not pursued by the agencies in certain countries. But stories do break which are of considerable importance in the agency's estimation, and which it will report even if subsequent reprisal seems inevitable. In such circumstances the risk is taken because there is competition from other media, and if an agency, as with any newspaper, is seen to be playing too safe, it may well lose ground to its rivals. This is perhaps especially the case with a news agency, since there are relatively few organizations engaged in the task of collecting news on a world-wide scale, and since so many clients are dependent on it; any hint that it is making too many compromises, as shown by the output of competing media, would be very damaging to the agency's reputation. Agency journalists are well schooled into consideration of the competition factor, though this is more evident in the case of the U.S. agencies, which are competing in a very big way on their domestic market, than with the European

agencies whose domestic markets are relatively secure. Some discretion remains of course as to when a story is considered important enough for risks to be taken, and though implicit policies may exist based on the customary practice in similar situations, the individual agency journalist may occasionally take a risk which his colleagues would avoid.

This would seem to be the case in the following example where an agency respondent in a Latin American country was expelled for his coverage of the kidnapping of a European ambassador, on the grounds that he had made illegal contact with a guerilla group. The respondent had feared that the government was about to risk a shoot-out with the guerillas, at the probable expense of the ambassador's life. The ambassador was a known homosexual and had thus lost respect in establishment circles. The respondent hoped that publicity might deter the government from a rash move, and went ahead with his story in the belief that he personally would suffer reprisal rather than the agency as such. He did not allow his assistant to write up the story, since this man was a foreign national, an Argentinian Peronist, whose politics were suspect to the regime. He arranged that his assistant take refuge in a friendly embassy for fear that a reprisal against him would be more serious than against the respondent himself.

The seriousness with which an expulsion is treated by the foreign press corps will depend on local conditions.

Occasionally an expulsion, or series of expulsions, will set the 'ground rules' for some time to come, as happened in Kenya according to one respondent there, who reported there had been no expulsions since a rash of them before 1969, and that since then the press as a whole had learnt to avoid mention of certain sensitive areas, such as the existence of internal power struggles within the ruling political party of Kenya's one-party state, KANU.

A correspondent will often know when an expulsion order has to be taken seriously, or when it requires only 'mock deference'. One respondent in Bangkok simply left the country when the authorities presented him with the choice of promising 'good behaviour' or expulsion. When he returned two weeks later the incident seemed forgotten.

The threat of violence in any situation can be a powerful deterrent. Intimidation against locally recruited staff, for example, or the possibility of it is often a factor of some concern to an agency bureau chief. The foreigner is usually a more difficult subject for reprisal than a national, since he is more visible to the foreign press corps as a whole, and in a better position to exploit any diplomatic embarrassment that might follow from press suppression. Western agency staff tend to take responsibility for any stories likely to cause domestic controversy. In Egypt, the agencies are (1972) obliged to employ locally-recruited staff, except for the bureau chiefs, because of the difficulty of obtaining sufficient

work permits for more than one foreigner. One bureau chief in Cairo reported that his staff were all under some form of government pressure or influence, but he did not know the extent to which this was so. As a result he would personally write up any story of possibly controversial significance. He admitted that concern for the well-being of his staff tended to dampen news-gathering initiative.

An alternative to physical intimidation is commercial intimidation: some kind of restriction of business. In South America it typically takes the form of hurting the agencies' distribution to local clients in some way.

Reprisals, and the possibility of reprisals, oblige the agencies to accommodate with those sources that have the power to sanction, and such sources are very often the established political elites. The nature of such accommodation is more extreme the more forceful are the means and the direction of media suppression, so that the most obvious forms of accommodation occur in one-party states, dictatorships and the pseudo democracies. Accommodation occurs in the democracies as well, but here the existence of opposition parties, the legitimacy allowed non-governmental interest groups, and the relative freedom of commercial enterprise, force many sources, especially political sources, into less direct means of press and media manipulation. In such countries it is the abundance of available information very often which

limits the agencies rather than its absence, in the sense that agency resources are consumed in the pursuit of relatively legitimate and routine kinds of information, rather than in the kind of digging and enterprise reporting which is supposedly the province of the popular and the elite press, though agencies do indulge in more such reporting now than they did. In such countries as these the agencies depend very heavily on the local media, and their coverage reflects the quality of the local media.

In all countries the agencies observe the press rules which have the strength of legislation behind them. In Great Britain, for instance, according to an AP source, the Official Secrets Act is respected by the agencies. Local libel laws are observed: these in fact may be more limiting to an agency than to a single foreign correspondent since the agency distributes in many countries and will therefore need to be careful that a single story does not contravene the libel laws of any of the countries in which it distributes. In India, after the introduction of press censorship in 1975, the agencies explicitly chose to stay on, thereby giving implicit obeisance to the new controls, even though many newspaper correspondents were withdrawn on the grounds that no compromise with the new controls could be tolerated. Like newspaper and other media correspondents, agency journalists also generally respect the 'ground rules' established in particular reporting situations between sources and press journalists.

In the democratic countries, observance of legislation affecting press coverage generally indicates the limit of formal accommodation to sources. This does not mean that informal accommodation does not occur in certain areas of news-gathering between news sources and journalists. For in such countries, sources have become especially adept in informal means of media manipulation.

In many other countries, quite apart from local press legislation, agencies report a certain degree of accommodation on certain 'sensitive issues', which follows from an awareness of the kinds of informal censorship and intimidation which may occur if they do not compromise. This occurs at various levels of openness. In Manila, one respondent reported that in compliance with general political pressure on the foreign press corps after Martial Law, and after the period of complete censorship was over, he did not source his information indirectly - to 'political sources' or 'observers', for example. Since it was very difficult to get permission to source information directly to sources, unless it was either harmless or positive for the government, this compliance represented a considerable degree of self-censorship. The Secretary for National Defence had said that it did not really matter what the foreign press said so long as it sourced all its information directly. Occasionally as another respondent pointed out, it was possible to contravene the implicit understanding and get away with it: a press trip had been arranged by the army to the southern

island of Mindanao where an 'unholy alliance' reigned between Moslems and Maoists who were fighting against the dominant Christian political establishment. At a military briefing there, two captured 'rebel' leaders were produced. The briefing officers limited the amount of information which the journalists were to be allowed to attribute to these sources. One agency however went ahead to use indirect sourcing as well in an attempt to build up as full a picture as possible of the military situation on the island. No reprisal occurred, and the other agencies felt free to do the same. At this time, it was still required of the agencies that they submit their copy of any day to the Department of Press Information after it had been filed. One respondent found this was a protection as well as a possible restraint, since it afforded him useful support if his copy had been changed in any way by his head office after he had filed it.

Respondents interviewed in Taiwan reported several 'sensitive issues' which it was necessary to treat with the utmost caution or to avoid altogether. These were: local political factionalism, instances of hostility in the relationship between mainland Chinese and indigenous Taiwanese, corruption in the administration, stories concerning the families of the political elite, stories critical of the government's anti-communist policy, and stories concerning the health of Chiang Kai-Chek in his late years. Similar issues in Thailand were those to do with the King, top government officials, the Buddhists,

the separatist movement in the South, cases of corruption not already taken up officially by the government's anti-corruption agency (described by one respondent as a face-lift exercise), opium trade, Thai communists, U.S. involvement, the Thai military activities in relation to the country's neighbours, and foreign relations. A respondent made mention of a top American newspaper journalist who was made 'persona non grata' in retaliation against an article he wrote on the 'hypocricy' of Thai smiles. In fact, this respondent said, the 'smile' for Thais is an expression of many different moods, not simply of friendliness or humour.

Caution in coverage of Singapore's prime minister Lee Kuan Yew, was reported by several respondents. Although access to the prime minister was considered good, the press generally was careful not to quote his comments at press conferences before being given the go-ahead by the information office. In this way, Lee was protected from reports of typically bombastic off-the-cuff remarks made by him during such conferences. Caution was also exercised in coverage of the island's political and racial affairs.

A respondent based in Kuala Lumpur, Malaysia, reported that it was impossible to write stories of any criticism against the kingship, a titular role meant to symbolize Malay unity. Three people had been arrested for making statements to the effect that the kingship was a waste of money, including the editor and deputy editor of a leading Malay paper. It was also impossible to write

anything of negative implication about the status of Malay as a national language, or to question citizenship rights, or do anything that could be interpreted as an attempt to promote civil strife. Such interpretation was left to the discretion of the police and attorney general. Caution had to be exercised generally over coverage of the country's local political affairs. Over time however, it was possible to store up apt quotes from diverse sources representing the full spectrum of possible opinions in order to write up a good but irreproachable interpretive article.

One of the principal difficulties of coverage in the Philippines as we have seen was the situation in the South. Since Martial Law, few residential respondents had been allowed to visit the area alone, unless through a military organized press trip. Reports gathered from local Filipinos who had travelled there could not be used because of the ban on indirect sourcing.

A respondent in Istanbul at the time of interview late in 1971, while Turkey was still under Martial Law, reported that although he knew torture was a widespread practice amongst the police and the army, against those dissident army officers, civilians and students who had been held under detention since March of that year, it was 'more than it was worth' for him to report cases of torture. This illustrates how good access, which was also reported of top sources by an Istanbul respondent, is not necessarily

accompanied by a sense of freedom to report whatever there is to report.

Accommodation occurs not only on outgoing copy but also in relation to incoming files. A respondent in Manila reported that although incoming stories went direct to clients rather than through the agency bureau, the New York and Hong Kong bureaux had been warned to strike off any doubtful items, or to arrange that they should be sent first to the bureau in Manila for manual inclusion on the local distribution network if necessary. 'Doubtful' stories were those which might have provoked governement reprisal. A respondent in Malaysia reported that incoming stories had to be watched in case some were not suitable for local distribution. One such story concerned a report of riots by Javanese in Indonesia against new school taxes. The wording had to be changed from 'Javanese' to 'Indonesian' to avoid any implications of racialism. In many countries incoming reports are distributed locally by government-controlled national news agencies, in which case the removal of offending items is no problem.

The Significance of Accommodation

The existence of the kind of accommodation which has been illustrated in the above paragraphs needs to be viewed in a context of other factors:

1. In the first place, news of events and of people which agency correspondents do not feel free to report may yet be reported by newspaper or other media correspondents who have less to fear from retaliation, and who may actually write up their stories after they have left the country concerned.

2. Secondly, stories obtained by agency men which they do not feel free to use may be passed on to other media correspondents who can use them. A respondent reported such a case in Saigon, when the story which he felt would be damaging to the agency was passed on to a newspaper correspondent who was due to be expelled in the near future.

3. There are some stories which may not easily be reported as 'hot news', but may be reported in gentler fashion and expressed more discreetly, en passant, in the occasional round-up pieces or feature articles, which an agency reporter might write once in a month.

4. It is always possible for the informed reader to 'read between the lines'.

This last point is in fact a crucial factor in considering the merit of reporting from countries where there exists a certain amount of media suppression. The reader is

obliged to some extent to educate himself into reading news reports of the world, to accept an active engagement with the material presented him rather than a passive acceptance of it. And the journalistic community, agency as well as other correspondents, need to train their readers into interpreting their own material, by being more open than they are about their methods of reportage, about the significance of the style they use to report certain kinds of incidents, and the exact meaning of their methods of indirect sourcing. This is perhaps more important than editorializing, which may help explain the event while still maintaining in obscurity the methods, rationale and values which enter into the assessment and evaluation of reports of that event from a medium's own reporters. The coverage of a fairly standard event may in fact, if read closely, say a lot about a country which might not emerge in any direct way from other reports. Agency coverage of the two week session of the Indonesian People's Congress for instance in 1972 was able to illustrate the supreme power of President Suharto and his cabinet, the main threats to that power as evidenced by Suharto's own policies concerning internal economy, foreign relations and subversion, the major internal problematic areas including corruption, and the hold of the military over the political machinery. All of this was reported legitimately enough through attendance at the session, and from local media. Any one of the items would have been difficult to deal with in isolation, and at any real depth. And whilst depth too was lacking in coverage of the items

brought up at this largely rubber-stamping political occasion, it was certainly possible for an educated reader to assimilate from these reports an up-dated and reasonable socio-economic outline of the character of Indonesian society.

Western reporting of Moscow and Peking is based very much on reading-between-the-lines thinking, and although this method has pursued a great number of false leads it has also often correctly identified major political, economic and social changes. This approach to reporting is not new to the newspaper-reading public since by custom journalists have been very open about reporting conditions in communist countries, and it has suited cold-war ideology and values to stress the difficulties of reporting from them. In other parts of the world the machinery of reporting is not discussed so readily by journalists, nor the ways in which they overcome obstacles to obtaining information. It is necessary for the newspaper reader therefore to learn how to read between the lines of the reports that appear in his own newspaper from foreign correspondents, just as some of those reports are themselves exercises in reading between the lines.

Summary

This chapter has explored some of the most significant ways in which news-sources can control the flow of national news into the arena of international consciousness.

Agencies, the most important and the strongest of international news-gathering organizations, cannot always resist such controls, but in many respects are obliged to negotiate, to bargain, for the right to report, and this entails some sacrifice, some loss in the quality of news-flow which ultimately it is up to the newspaper reader or media audience to make good.

1. Middle East agency news executive - 1972

2. Interviews with Washington agency sources March/April 1972.

3. Ibid.

4. Richard Halloran: Shimbon; January 1973.

5. AFP Washington respondent March 1972.

6. Reuters news executive, Saigon, February 1973.

7. Halloran: op. cit.

8. Janowitz, Morris: The Community Press; University of Chicago Press, 1967.

9. Jean Texier, in interview with the author, 15.8.74.

10. His main employer was AFP.

11. Agency executive in Washington, February 1972.

CHAPTER TWELVE: The News as it Comes

1. Elimination and Specification

Perhaps the most characteristic feature of agency news flow is the high rate of elimination of news stories as they pass through the system. The high fall-out of news was demonstrated in an early content analysis study over five days, reported by Cutlip in 1954.[1] He found that as much as 98% of all the news copy received by AP's national office in New York could be eliminated by the time it had been filtered through the bureau manager responsible for the trunk wire, the state wire manager, the newspaper editor and, finally, the reader himself. Trunk wire editors received between 100,000 and 250,000 words a day, and of these they selected about 283 news items or 57,000 words each news cycle. When these arrived in the Wisconsin state bureau, the 283 items were reduced to 77 and added to another 45 items of state news to make up the state wire of some 20,000 words. Four Wisconsin dailies selected and used some 74 items from the state wire, or about 13,000 words. Of the total number of stories reprinted from the state wire in any of these newpapers, the average reader would look at only 15 stories totalling some 2,800 words at length.

The most important link in this chain is the central desk of the agency's head office, where the most wordage is received, and at which the 'trunk' wires are compiled.

In the distribution of foreign news this is often the last internal editorial stage.

The elimination process is accompanied by a heightening of content selectivity for specific market requirements, and this is especially refined in the services of the American agencies for their domestic clients. At each stage of the downward flow, from trunk to state to newspaper levels, certain categories of news increase as a percentage of the total and others decrease in importance. Within the total news 'hole', this is also true of the foreign news category, which in Cutlip's study declined from 18.8% of the datelines at the trunk level to 9.4% in the state wire and 8% in the Wisconsin newspapers.

More recently, Al Hester also looked at the flow of AP international news into Wisconsin over 14 days.[2] He studied both the 'A' and 'B' trunk wires; about one quarter of the 'A' wire and slightly less of the 'B' wire was given over to international news. This was reduced to less than a fifth on the state wire. Remarkably, the state wire editor did not use any of the 'B' trunk wire news, which contained more interpretive and background news than the 'A' wire. State wire editors tended to cut those stories which did not involve U.S. interests, considerably more than those stories in which there was a major U.S. angle, and reinforced the accentuation on the trunk wires of news from developed countries, which accounted for about three quarters of all foreign

news carried. Wisconsin dailies used about 30.5% of the foreign items they received over the state wires, and this material represented only 8.4% of their news space.

Most of the content-analysis studies of agency services have concentrated on the distribution process within the United States, and most of them are about the American agencies, with AP attracting (or perhaps permitting) the most attention. There are few studies which directly compare the output of one agency with another.

2. Content Emphases: 1953

The major exception to this was the IPI study published in 1953.[3] This study examined the flow of news into the United States, Western Europe and India:

(i) Agency News into the United States

Four major agencies were examined, including Reuters and the now defunct INS. These agencies transmitted the equivalent of 453 to 770 newspaper columns of foreign news over the period of study - four separate weeks in 1951-52. Between two thirds and three quarters of all stories were about a handful of countries: Korea and 'Internationaland' (e.g. the UN and NATO) in the lead, followed by the U.K., France, West Germany, Japan and Italy. Most of the copy was relatively heavy, about two thirds of it concerning war, politics, foreign relations,

defence, and economics: while human interest, crime, disaster and sports accounted for 22%, and cultural, educational, scientific, technical, religious, judicial and legal subject matters accounted for 12% of the total.

American newspapers tended to concentrate on the same major geographical areas as the agencies, but gave less of their total foreign news 'hole' to the top seven countries of the agency files. About two thirds of their coverage was concentrated on foreign relations, war and politics, in this and the other categories differing in emphasis from the agencies, but not greatly. In fact the newspapers sampled actually gave more emphasis rather than less to the kinds of 'official news' which were mainly characteristic of the agency wires as well.

The geographical emphasis of newspapers and the agencies seemed to reflect readers' interest, with the major exception that readers wanted more news of Russia than appears to have been actually provided at this time.

(ii) <u>Agency News into Europe</u>

Five agencies transmitting news into Europe were studied, including AFP. These agencies transmitted

a total of some 135,000 foreign news words each day, ranging from 12,000 to 43,000 depending on the agency. But in most West European countries, the trunk wires were cut down at the level either of the agency's local bureau, or through a national news agency and the maximum percentage of the trunk wire which was retransmitted was 51.5%. Even for the same agency there was a tremendous range in the wordage transmitted from one bureau or national agency to another: from 5,450 words a day, in one instance, to almost 15,000 in another.

Of all foreign news on these trunk agency wires for Western Europe, news of the United States accounted for between 17.5% and 62.6% of the total, depending on the agency. This percentage generally increased in the process of retransmission from the level of national bureau or agency. Like the services received in the United States, these agency services tended to focus heavily on politics, economics, foreign relations, defence and war, which accounted for between 63.5% and 77.8% of all foreign news on the trunk wires, and generally increased as a percentage of the total retransmitted, where the range was between 62% and 86%.

Few countries fared anywhere near as well as the United States on these wires. News about Germany for instance accounted for between 1.9% and 6.6% of all foreign news on the trunk wires, but increased to between 4.9% and 11.5% in the process of retransmission. Three quarters or more of all German news fell into the 'heavy' news categories of politics, economics etc. Developing countries fared worst of all, unless they happened to be the scene of major political struggle. India was represented very poorly: only between 0.1% to 1.2% of all news was about India on the trunk wires, although this sometimes increased in the process of retransmission where the percentage range was between 0.3% and 2.6%.

News of other West European countries was also measured. Of all agency foreign news going to West Germany that concerned France, the U.K., Italy, Switzerland, Belgium, the Netherlands, Sweden, most was devoted to the U.K. and France, which accounted for between 29% - 43%, and 31% - 51% respectively; whereas Sweden's range was only 1% - 4%, and Belgium's 1% - 4.5%. This news was rather less 'heavy' than in the other cases, the major categories of politics, international relations etc. accounting for only 57% - 76%, perhaps indicating that news

requirements become increasingly differentiated with cultural and geographical proximity.

(iii) Agency News into India

Four agencies were considered: the Press Trust of India, which took most of its foreign news from Reuters; United Press of India which took its foreign news from AFP; UPI, and another British agency, Near and Far East News, now defunct.

These agencies together transmitted some 32,000 words a day of foreign news into India. About two thirds of all this news was news of the 'West', and of this between a quarter and a third was news of the United States, and the rest was mainly news of Western Europe, with news of Britain predominating. As elsewhere, around three quarters of all coverage was 'heavy'. Indian papers tended to use proportionately less U.S. news than their agency sources, but around 61% of all foreign news in the average Indian paper was 'western' news.

(iv) Summary of the IPI 1953 Study

This study demonstrated the heavily western character of news coverage by the major agencies, regardless of the area of distribution.

But even amongst the western countries some got much more attention than others, notably the United States. Foreign news other than 'western news' tended to be news of areas where the interests of western powers were intimately engaged, notably Korea. In all cases, the major content categories were news concerning politics, economics, foreign relations, defence and war, which accounted for around two thirds to three quarters of total foreign news in all cases.

3. 1953 - 1974

There has been no duplication of the 1953 study. Most of the content analysis studies since that date have concentrated on the American market. But these studies do not indicate very radical changes in the relative emphases of foreign news presentation for newspaper consumption.

Cutlip's period of study, 1952-3, just succeeds that of IPI. Cutlip did not give a detailed breakdown of foreign news, but he showed that 40% of the trunk wire was news of government, politics and foreign affairs, followed by economic news, which accounted for 18%. These categories therefore accounted for almost two thirds of the total. The next most important category after that was sport (18%). Whereas 'official news' declined as a percentage of the total on the state wire

to about half, sport news increased to 22%. As for other areas of coverage, Cutlip concluded that there "is still a big gap between wire content and the interests and lives of newspaper readers".[4] There was only one item on music, for example, in the five days studied, although U.S. newspaper readers spent 125 million dollars a year on classical music and concerts, more than three times the 40 million dollars then spent on professional baseball. There was not a single line on hunting and fishing in the period of study, although more than 16 million persons spent 33 million dollars for fishing licenses in the United States in 1952, and 14 million spent 37 million dollars for hunting licenses.

Adams studied AP's trunk wire for a month of weekdays in the period 1963-4[5], focusing specifically on differences between foreign and domestic news content. Almost 38% of the total datelines (1521) were foreign. Foreign dateline stories were less specifically sourced than domestic, were more likely to be about 'serious' issues of politics and economics etc., and less likely to be written in feature style, confirming the evidence in the IPI and Cutlip studies of a relatively high degree of 'heaviness' in foreign news coverage. There was evidence that "the charge that foreign news stories tend to be 'too much' concerned with straight, unrelieved news treatment" was correct. Domestic news was slightly more likely to be 'sensational' defined broadly to include stories about controversy of any kind, illness, death, violence,

accidents, riots, strikes, crime, and any other type of story "which would appeal essentially to the emotions rather than to the intellect". Overall there were more sensational than non-sensational stories, sensational stories accounting for 59.4% of foreign stories and 62.4% of domestic stories. Since the difference was not significant there was no support for the charge of excess sensationalism in foreign news.

Politics, war and economics accounted for 37% of domestic stories in Adams' study and 51% of foreign stories. Sports stories were ignored in his study so that these percentages are on the high side, but nevertheless there is a remarkable constancy over time in the importance attached to these kinds of 'official' and 'serious' news on agency wires. Coverage tended to be concentrated in certain countries as well as certain regions. The most heavily represented were the United Kingdom, Germany, the U.S.S.R. and the Vatican City, accounting for 33% of the total. Among the world regions Western Europe accounted for 45% of all foreign stories, followed by Asia (19.2%) and Latin America (9%). In the decade 1953-64, therefore, no major changes in balance occurred in U.S. agency wire content.

The Hester study[6] six years later analysed the foreign news content of AP wires in a rather different way by looking at the proportion of news about developed as opposed to developing countries; as anticipated, the

developed countries got most of the attention, and this attention remained fairly constant in their favour in retransmission at state level. News of the developed nations was dominated by news of countries with which the United States had direct relations, accounting for almost half the total in this category on the trunk wires, and increasing on the state wire. News from less developed nations was more dispersed, but items from Vietnam (the 'Korea' of the 'sixties) predominated. The major content categories were military defence, foreign relations, and domestic government politics, which accounted for over half the news about developed nations on the trunk wires and just under half at the state wire level. News of the developing nations was even more dominated by this kind of news, which accounted for as much as 84% of the total on the 'A' wire, and 63.1% of the 'B' wire, and 80.3% of the state wire. This reflects the IPI study's indication of greater differentiation in news about culturally or geographically proximate areas (in this case, the developed countries).

In contrast to these studies which are concerned exclusively with the AP and with the American market, there is one published study of the material provided by the agencies, mainly Reuters and AFP, to the Scandinavian news agencies[7], covering 11 days in the spring of 1970, very close in time to the Hester study. This confirmed one finding of Adams' analysis in 1963 - the relative obscurity or non-specificity of agency sourcing (in contrast to the emphasis given to

the importance of sourcing by agency journalists in interview). Almost 45% of Reuters items gave no acknowledgement of source, and in a further 9% of cases the source was unidentified. AFP was similar, while DPA's sourcing was even more unspecific (66% of items unidentified by source or source not acknowledged).

Most of the news items were accounted for by the major western cities and Moscow, Europe accounting for 30% of the incoming agency material, North America for a further 12%. Western Europe and North America therefore accounted for over 40% of the whole, but this is rather less than the kind of percentages quoted for West Europe in the 1953 IPI study, indicating a relative decentralization of interest since that time, at least amongst the European agencies. About three quarters of the content was 'serious' or 'official' news relating to politics, war, international relations, defence and economics.

Many of the content analysis studies have tried to analyse content at different stages of the news flow: comparing, for instance, trunk wires with state wires. One unusual study has sought to include the initial stage, looking at initial bureau transmission of news to the editorial desks. Although this again is about the AP, it is one of the few studies which considers news of a world region other than North America or Europe, and which includes systematic interviewing of bureau personnel outside of the United States.

Hester traced the news-flow from South American bureaux to New York for a three week period in 1971.[8] Four bureaux in particular were studied, but transmission from 10 bureaux were included in the content analysis. In the four main bureaux some 15 staff members were responsible for about 57% of the total South American wordage transmitted from all the bureaux to New York during the study. In the three week period of study some 1,636 items were transmitted to New York, representing about a third of a million words. Principal transmitting points were Buenos Aires, Santiago, Caracas and Mexico.

The main content categories transmitted were sport, foreign relations, domestic government-politics, crime and criminal violence. These categories together accounted for almost 73% of the news out of Latin America (excluding Brazil and the Caribbean countries). Sport alone accounted for nearly a quarter of all items. Approximately four out of five of all items transmitted to New York from the bureaux were written by non-U.S. citizens. Most of the stories were about one nation; in only about 15% of all items were there international linkages, and in over half of these cases Latin American nations received primary emphasis.

A great deal was lost in the process of retransmission. During the period of study foreign news made up almost 40% of AP's trunk wire in the United States, and 12% of the 'B' wire. Latin American news accounted for about 10% of the 'A' wire's foreign news (some 24,000 words),

and 12% of the 'B' wire's (8,000 words). Only 7.8% of the stories originally transmitted found their way onto the 'A' wire after New York had made its selection, and of the remainder only 3.1% were used on the 'B' wire.

Latin America ranked well after Europe on the 'A' wire, which made up 38.5% of the total of foreign news, and Asia (25.8%), but ranked about equal with the Middle East. On the 'B' wire, Western European dominance was even more pronounced, accounting for 42.4% of all foreign items, followed by non-U.S. North American (15.9%), and Asia (14.1%) and then South America. On both wires, South America did better than Africa, Eastern Europe and 'Other' areas.

Not only volume was affected by New York editing, but also the balance of content. Nearly half of all the items retransmitted on the 'A' wire were in one category: crime-criminal violence, although this category accounted for only around 14% in the original transmissions, and nearly one in three items on the 'B' wire were in this category.

But in transmissions of South American news to non-U.S. destinations there was greater similarity of content balance between outgoing and incoming items.

There were other ways in which New York simplified South American coverage. Items were shortened from an average

of 228 words to 202 words on the 'A' wire and 187 words on the 'B' wire. The range of datelines was also cut. More than half the Latin American wordage on the 'A' wire came from only two bureaux - Buenos Aires and Santiago, although these bureaux accounted for only 35% of wordage transmitted. On the 'B' wire, Mexico and Chile accounted for half the wordage. New York also gave disproportionate space to stories within which the primary emphasis was on the United States.

The general breakdown of AP's domestic wires does not differ remarkably in Hester's study from other studies, but he does shed considerable light on the news editing process and is one of the first to be able to compare original transmissions with outgoing wire content. But it is clear that the New York editors perceive differences between the requirements of their domestic market and the requirements of foreign markets.

4. Comparative Study of Global Agency Wires: 1974

For the purposes of the present study a comparative analysis of agency wires was undertaken: the analysis was mostly done by a research assistant (Ms. Hazel Grayson) under the author's supervision. A second assistant (Mr. Denis Holt) undertook some further analysis of one UPI wire, in addition to separate analysis of material from the New York Times News Service, the U.K.'s Press Association, and Reuters Economic Service wires. The author is responsible

for the study design, writing up, and interpretation of the findings. A methodological description by Hazel Grayson is included in Appendix 1.

The main part of the analysis consisted of a three day comparison of AFP and UPI 'UK' wires, and a five day comparison of two Reuter and two AP wires - Reuters South European and South African, AP's European and African respectively. A number of other wires were considered singly and/or for briefer periods of time.

The principal aim of content analysis was to provide some description of wire content to illustrate and elaborate some of the themes explored in interview and questionnaire. The very act of description however involves some kind of systematic ordering of perceptions and concerns:-

Previous research had indicated a great deal of continuity over time in agency balance of content between world regions and content categories. The researchers anticipated that this analysis would confirm such continuity.

However, other evidence had indicated important differences in organization and market position between the agencies, and in their stress on the regionalization of news services. The researchers therefore predicted that there would be important differences between the agencies, and that these differences would reveal themselves partly in their regional emphasis.

They also predicted that within each agency there would be important differences between wires destined for different markets.

Because the agencies served international markets it was predicted that their primary emphasis would be news of an 'international' character, concerning two or more countries, rather than 'national', concerning only one country specifically. Such news would be more readily recognized as general 'marketable' material by agency journalists, and would be used more by clients - since national media look for the foreign news that is somehow relevant to their own country.

Because agency bureaux are normally based in capital cities, and because they concentrate on people and organizations normally located in capital cities, it was predicted that dateline analysis would show heavy over-representation of capital cities.

Length

An initial attempt was made to determine the relative lengths of a selection of agency wires: this proved a difficult task in the time available, for there were many obstacles to describing 'average' wire lengths for whole days without actually counting each word and accounting for the tabular presentation of many sports and economic news stories. The results must therefore be

treated with extreme caution as only a very rough indication (see Table 23). Six wires are involved altogether: Reuters' South African, South European and U.K. wires; AP's European, African and Paris wires; and the U.K. wires of UPI and AFP. These wire lengths ranged from 24,000 to 62,000 words a day. The lowest figure, for AP's Paris wire, indicates the likely reduction in length after translation of the trunk wire into French for local consumption, less than half the original. The other wires were 'trunk' wires, some of which would be received in their entirety by direct clients, others to be translated or edited by national news agencies or local bureaux.

A count of dispatches and 'stories' provided a more convenient definition of length for any one agency, but because dispatches varied in average length between agencies this definition was of only limited value for comparative purposes. A dispatch represents the single 'telegram' item as it arrives over the teleprinter, and is normally distinguished by an introductory headline and code markings. Details of date, time and dateline (source of origin) are usually also provided. A dispatch does not necessarily coincide with a 'story': there may be several dispatches recounting developments in some particular incident, speech or catastrophe, and these together make up the 'story'.

A wire which is shorter than another in terms of words may be longer in terms of dispatches. The AP European

wire carried more words on April 5th, 1974 than the Reuters South European wire carried on March 8th, and yet the Reuters wire carried 15% more dispatches (see Table 23). The average length of a Reuters dispatch therefore appears to be shorter than an AP dispatch. The number of dispatches on a wire, however, is not a clear indication of the number of stories it carries.

This was evident in the main comparative data. In three weekdays of April, from the 22nd to 24th inclusive, UPI consistently carried more dispatches than AFP. UPI carried between 255 and 372 dispatches, AFP carried between 241 and 287. (There seems to be a tendency towards greater length each day during the course of a week). UPI carried a total of 936 dispatches, AFP a total of 814. UPI therefore carried almost 15% more dispatches than AFP. However, in terms of the number of distinct <u>stories</u> carried by the two wires, AFP carried by far the greater number, thus indicating greater subject variety and more comprehensive coverage.

During the week UPI carried between 64 and 104 stories, AFP between 124 and 150 a day, the respective totals for the three days being 256 and 418. AFP therefore carried 63.3% more stories than UPI. In addition, UPI carried more corrections and repeated dispatches than AFP. These accounted for 6% of UPI's dispatches, and 3% of AFP's total.

TABLE TWENTY-THREE

EXAMPLES OF WORDAGE.

1. Reuters Wires: Friday 8th March, 1974

	words	dispatches
South European (EUS)	49,489	409
South African (SAF)	29,204	298
United Kingdom	47,347	419

2. Associated Press: Friday 5th April, 1974

European (EUR)	53,907	357
African (AF)	61,932	397
Paris	24,638	194

3. Agence France Presse: Friday 3rd May, 1974

United Kingdom	32,368	272

4. United Press International: Friday 3rd May, 1974

United Kingdom	38,125	305

Reuters' South African (SAF) and South European (EUS) wires were compared with AP's European (EUR) and African (AF) wires for five days of August 1974. AP's AF wire tended to carry more dispatches than Reuters' SAF, and considerably more stories. Reuters' SAF carried 422 stories during the week, and AP's AF carried 699. (Stories were defined on a daily basis: the count began afresh for the beginning of each day.) In percentage terms, AP's AF carried more stories during the week than Reuters' SAF. However, AP's AF carried only 3% more dispatches than Reuters' SAF.

AP's EUR tended to carry more stories than Reuters' EUS. During the whole period it carried a total of 602 stories, and Reuters' EUS had 528. AP's EUR therefore carried 14% more stories than Reuters. But Reuters carried considerably more dispatches than AP, about 18% more.

The AP African wire therefore carried more dispatches and stories than the Reuters South African wire. The AP European wire had a less dramatic lead over the Reuters' South European wire, and Reuters carried more dispatches. The European services of Reuters and AP appear to be much longer in dispatches than the services for the U.K. put out by UPI and AFP, although AFP compared well on stories. UPI tends to be longer than AFP in words and dispatches, but puts out far fewer stories. Comparing the UPI-AFP findings with those of the two Reuters wires for August, it is evident that UPI carried a similar number of stories as Reuters' South African wire (256 for UPI, compared with

238 for the first three days of the Reuters' SAF sample), but many fewer than those carried by Reuters' EUS or the AP African and European wires (292, 395, 353 respectively). AFP, however, carried more stories in the space of three days than any of these wires: 418.

Reuters' Pilot

A number of short pilot studies on Reuters' wires preceded the main analysis, and highlighted some of the general characteristics of agency wire content. The pilot began with a complete examination of the Reuters East African file for a one-day period in September 1972, which found that of 85 dispatches transmitted, 18 were repeats, and only 23 wholly original stories in effect were represented. Of the dispatches most originated from Western Europe (37 or 44%), followed by Africa (13), South America (8), the U.S.S.R. and Eastern Europe (5), Asia and the Pacific (4). Political stories accounted for over half the total, with sports accounting for most of the remainder (but the Munich Games were then in session, and this factor might also have increased West European representation.)

By contrast the North European file for the same day was considered. This was made up of 127 dispatches, representing not more than 38 distinct stories, counting the Munich Games as a single story. Excluding repeats and corrections, 50 dispatches originated from Western Europe,

accounting for 39% of the total, followed by the United States (14), South America (9), Asia and the Pacific (4), Africa and Middle East (3). The North European file therefore carried more stories and dispatches than the East African, and Western Europe accounted for rather a lower percentage of the whole.

Every third story on two other wires was also counted for short periods. On the South American wire, Western Europe also appeared to dominate, followed by the United States, Asia and the Pacific, the United Nations, Africa and the Middle East, South America, the U.S.S.R. and Eastern Europe. But on the South East Asian file over a three day period in December 1972, it was found that dispatches from the Asian and Pacific regions predominated on each day, with heavy concentration on Australia and New Zealand (although further regional stories would have been inserted in Singapore). Western Europe ranked next, followed by the United States.

These short studies gave some confirmation to Reuters' claim to be giving greater attention to the regions to which the wires were directed: Africa ranked second most important dateline on the East Africa wire, Western Europe was first on the North Europe file, and Asia-Pacific first on the South East Asian wire. But the regions of West Europe and North America were still of great significance on all wires, ranking second if they did not rank first.

On all the files examined, political-governmental stories accounted for well over half, or in one case just under half of the total number of stories carried. There was also an apparent tendency to concentrate on issues which were of international (concerning two or more countries) rather than national significance. Between half and two thirds of all political stories on the wires examined were international rather than national.

Three other Reuters wires were examined in detail for one day: Monday 11th March, 1974. These were the Reuters South African (SAF), South European (EUS), and U.K. wires.

The U.K. wire carried the most stories of these wires: 122 in comparison with EUS (109) and SAF (82), but had slightly fewer dispatches than the EUS wire. Each wire carried an additional 18-40 corrections or repeats: there were fewest on the U.K. wire (18 or 5% of the total dispatches), and heaviest on the EUS wire (40 or 10% of all dispatches). There were 36 on SAF or 10% of all dispatches.

Content of the EUS and SAF wires was finely balanced between 'national' and 'international' news. The U.K. wire was dominated by 'international' news (i.e. news directly concerning two or more countries), which accounted for 62% of all dispatches, while 'national' news accounted for 35% of dispatches and a 'mixed' category of national and international stories (where it was hard to apportion

a story to one or other category), accounted for 3%.

Dispatches were broken down according to their place of origin as indicated in the dateline. Western Europe dominated all wires, accounting for between 33% of all dispatches on the UK wire and 50% on the EUS wire. The smaller proportion of dispatches from Western Europe on the U.K. wire reflects the fact that the U.K. wire does not carry U.K. stories (since these are carried by the Press Association for U.K. clients), and this reduces the number of West European dispatches.

In the breakdown by dateline, the number of dispatches from each dateline was recorded, and also the number of stories or <u>parts of stories</u> which these dispatches represented. Since some stories had several datelines, the total number of stories based on the addition of dateline stories was higher than for the general total based on theme alone. This makes it difficult to give a regional breakdown of stories as opposed to a breakdown of dispatches: it is possible to add up the total number of stories or parts of stories for each dateline, and for each set of datelines in each region, and compare the totals of each set, but a certain amount of double-counting is involved, and the figure for story breakdowns are not as meaningful as dispatch breakdowns. In what follows, story totals computed from the 'stories or parts of stories' aggregates will be shown in inverted commas (e.g. 'stories') - to distinguish them from the straight count of stories computed

TABLE TWENTY-FOUR

NATIONAL-INTERNATIONAL STORY CHARACTER

(% of all dispatches)

Reuters Wires - 11th March 1974

	UK	EUS	SAF
National	35	48	47
International	62	48	45
Mixed	3	4	8
	100%	100%	100%

directly from differences in theme. The latter are more reliable than the former. All percentages are rounded.

In very general terms, however, the breakdown by story reflects the breakdown by dispatch. In this way, Western Europe also dominated in terms of 'stories' as well as in terms of dispatches on these wires, accounting for 34% of all 'stories or parts of stories' on the U.K. wire and 47% of all EUS 'stories'.

After Western Europe, South America ranked second in terms of dispatches on two wires, but North America accounted for a higher percentage of 'stories' on all three wires. The South American prominence was due largely to an on-going cricket story from the West Indies. Africa followed North America in dispatch terms on all wires, but led slightly in story percentages. The other regions, in order of importance, were the Middle East, Asia, Australasia and Oceania, and Eastern Europe.

In this analysis, Africa refers to all countries of the African continent; North America to Canada and the United States; South America to Mexico, the Central American Republics, the Caribbean and the Latin American continent; Asia includes the Far East and China, South East Asia, Indian sub-continent; the Middle East includes all non-African Arab countries, Israel and Turkey; Western Europe includes the United Kingdom, Eire, Scandinavia and all other non-communist countries in Europe; East Europe

includes the U.S.S.R. and all countries in the European Communist block.

An attempt was made to determine how similar these wires were to one another, by assessing the percentage of dispatches on any of the wires which appeared also on the other two wires. A low percentage would indicate a high degree of dissimilarity between two wires. (In later analysis, similarity was calculated for stories rather than dispatches.)

Of all the U.K. wire dispatches, 73% appeared on the EUS wire, and between 52%-62% appeared on the SAF wire. Of all the EUS dispatches, between 72% and 73% appeared on the U.K. wire, and 68% appeared on the SAF wire. Of all SAF dispatches, between 53% and 62% appeared on the U.K. wire, and 73% appeared on the EUS wire.*

The EUS and UK appeared quite similar to each other - since over 70% of the material of each appeared on the other's wire. The degree of similarity between the SAF wire and the U.K. was less. Between 52% and 62% of the material of the U.K. and SAF wires appeared on each other's wire. SAF and EUS wires were quite similar - once again over 70% of their separate contents appeared on each other's wire. Even a degree of dissimilarity approaching 25% however, is reasonably great, and indicates a certain marketing of material for each region.

*Where more than one percentage figure is given, this serves to illustrate the range of variation between different days.

This one-day study of the Reuters wires indicated therefore that the South African wire received rather less material than the wires of the U.K. and EUS regions. The content of the wires seemed balanced between 'national' and 'international' news categories, except for the UK wire which was dominated by 'international' dispatches, possibly because of the absence on that wire of domestic UK stories. Such domestic UK stories were found to be quite important for the SAF wire where they accounted for half of the Western European content. West Europe was the main region of origin for stories and dispatches on all wires, followed by North America. The ordering of other regions was not the same on all wires, but it was clear that Eastern Europe, the Far East, Australasia and Oceania, each accounted for only small percentages of the total output.

The wires showed a moderate degree of dissimilarity. There were some indications of marketing-type decisions. For instance, hardly any dispatches about cricket in the West Indies for Southern Europe, whereas these pushed up the South Amercian category considerably on the UK and SAF wires, reflecting greater cricket interest in these regions.

Actual measures of similarity showed that approximately 75% of the content on EUS wires was identical or highly similar; and likewise, the SAF and EUS wires. There was greater dissimilarity between the UK and the SAF wires.

But even 25% dissimilarity seemed to the researchers quite significant.

There was not great evidence of regionalization, outside of Western Europe, to the extent that might have been anticipated by some Reuters claims. African stories accounted for about 10% of dispatches and 14% of stories on the SAF wire, which was fewer than on the UK wire, and about the same as on the EUS wire. However, it is probable that African content is increased for the wires to Black Africa, and maintained at 'European' levels for White South Africa, as indicated in the pilot study of the East African wire and a recent study of Reuters' West African wire.[9]

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The Goegraphical Origins of Agency Coverage

The UK wires of AFP and UPI were examined for three days of April 1974: Monday 22nd April to Wednesday 24th April.

Throughout this period, UPI consistently carried more dispatches than AFP, and AFP consistently carried more stories than UPI.

The major region on the UPI wires was Western Europe, both in dispatches and in 'stories'. Western Europe accounted for 28% of UPI dispatches (and 32% of total of UPI 'stories or parts of stories'), excluding, repeats and corrections. One might have expected UPI, being an American agency, to

have led with North America, but since UPI has a European centre, and a complex multi-addressing system, it is evident that it concentrates on primary market needs. Western Europe was also the major region for AFP, accounting for 28% of all AFP dispatches (and 27% of AFP stories or 'parts of stories').

North America was clearly the most important area after Western Europe for UPI, in terms of the less reliable indication of '<u>stories</u>', although the Middle East originated more <u>dispatches</u>. This was a time of acute tension in the Middle East when relatively few stories would have given rise to many dispatches, which is what happens when a significant story is developing quickly (e.g. 36 dispatches from Tel Aviv account for only 2 different storylines). North America accounted for 20% of all UPI dispatches (and 27% of all 'stories'). The Middle East accounted for 21% of all dispatches (but only 11% of all 'stories').

For AFP the second most important region after Western Europe was Asia for dispatches, but Africa for stories. Asia accounted for 20% of dispatches (20% of 'stories') whereas Africa accounted for 19% of dispatches (22% of 'stories'). On the UPI wires, Asia accounted for only 20% of dispatches (6% of 'stories'), and Africa for 12% of dispatches, (9% of 'stories'). For AFP the Middle East accounted for 12% of dispatches (11% of 'stories').

A further indication of the relative importance of Africa

on the two wires lies in the representation of Egypt. Whereas well over half of the African material on the UPI wire is from Egypt, on the AFP wire Egypt is not especially prominent. In other words, much of UPI's 'African' coverage is really coverage of the Middle East conflict.

Although the Third World appears relatively well represented on the AFP wire, this does not extend to South America where AFP has a fairly strong news-gathering presence. South America accounts for only 3% of all dispatches (3% of 'stories'). On the UPI wire, South America accounts for 3% of all dispatches (5% of 'stories').

In Eastern Europe, UPI appears to give more extensive coverage than AFP, but the percentages and the figures they represent are too small for any firm statement. UPI committed 10% of all dispatches to Eastern Europe (9% of 'stories'), whereas on the AFP wire, Eastern Europe took only 6% of dispatches (6% of 'stories'). This was contrary to expectation and may have been because Senator Kennedy was visiting Eastern Europe at the time, an event which would possibly have inspired more coverage from an American than from a Europe agency. Negligible coverage of Australasia and Oceania characterized the wires of both agencies.

This geographical breakdown suggests therefore that the two agencies are very different in their relative emphases on the different world regions, although both place Western

Europe at the head of the agenda. This is contributory evidence to the thesis that the world agencies are not identical in their news-coverage. Indeed, relatively speaking as we shall see further, AFP is close to being an 'alternative' agency, in the sense that it gives great importance to African and Asian datelines. Its coverage of Western Europe is slightly less in proportionate terms than UPI's, and it is less interested in North America, which on AFP wires accounts for only 11% of dispatches (11% of 'stories') by comparison with UPI's 20% (and 27%) figure.

A separate analysis of UPI's UK wire for five days from May 1st to May 5th 1974 inclusive, provides independent confirmation of the major trends for this wire. The procedure for geographical breakdown here was somewhat different inasfar as each story was identified with a major dateline, unless this was clearly impossible in which case it was ignored. (34 stories were not so identified out of 489.)

Western Europe was once again clearly the major source of stories on this American agency wire for a West European clientele. The region accounted for 36% of all stories, followed by North America (22%). The Middle East was a clear third with about 12%. The U.S.S.R. and Eastern Europe, Africa and Asia, were allocated about equal proportions of space, and each had between 25 and 32 stories. South America had 19, while Australasia and Oceania accounted

for only 5. The general pattern therefore appears to be very strong representation of three world regions in both the periods studied, these accounting for between two thirds and three quarters of all output, while the remaining share is parcelled out with some variations to the other regions, but with South America and especially Australasia and Oceania getting very low percentages.

Western Europe was also the dominant region of origin on the Reuters wires for each of the five days they were studied, accounting for 42% of all SAF dispatches (34% of all 'stories') and 37% of all EUS dispatches (37% of all 'stories'). In other words, Western Europe accounts for over a third of all dispatches on both wires, a third of the 'stories' on the European wire, and just under a third of all 'stories' on the African wire.

Associated Press provides an interesting contrast to the other three agencies, inasfar as on its wires it is not Western Europe which dominated but the United States. Western Europe, at 17% of all AP's AF dispatches (16% of all 'stories'), was second to North America which accounted for 50% of all dispatches (47% of all 'stories'). On the European wire North America led with 40% of all dispatches (43% of all 'stories'). On the European wire, Western Europe accounted for 31% of all dispatches (26% of all 'stories').

Whereas UPI leads with Western Europe on its wire, AP

leads with North America on its European and African wires. This is due largely to the fact that the service is put together in New York basically with relatively slight regional additions in London. However, North America is slightly less prominent on the European than on the African wire. Not only is the percentage of North American material lower on the European wire, but the volume of the European wire is less. This may be due to a tendency to use slack periods on the African wire as a dumping ground for stories with little relevance to regional demand, whereas on the European wire there are fewer slack periods. Much of the dumped material is likely to be American. The European wire has to be translated into other languages, whereas the African wire is received in English. Therefore there is also a tendency to keep the European wire slightly tighter in order to make life easier for the translators.

The second most important region on the Reuters wires was North America, just as Western Europe was second most important on the AP wires. North America accounted for 19% in dispatches (21% of 'stories') of the SAF wire, and 24% of the dispatches (20% of the 'stories') on the EUS wire.

The degree of 'home bias' as indicated by the attention an agency gives to its own region, is higher in the case of AP than in the case of Reuters. North America on the

AP wires accounts for higher percentages of total dispatches and 'stories' than Western Europe on the Reuter wires. North America on Reuters SAF wire accounts for higher percentages than Western Europe on the AP African wire, but on the Reuters EUS wire it accounts for lower percentages than Western Europe on the AP European wire. This indicates that AP does feed more European news to Europe than to Africa, but with the result that it sends more North American news to Africa than to Europe. The Reuters European wire carried more North American news than the African wire.

On the Reuters wires the Middle East ranks third place after Western Europe, accounting for 11% of dispatches (10% of 'stories') on SAF, and 12% of dispatches (11% of 'stories') on EUS. After this the percentages became very small and any general statement of comparative significance should be treated with caution.

The Middle East is followed by Africa on Reuters' EUS wire, which takes 5% of dispatches (9% of 'stories'). This is about the same as the space allocated to Africa on the South African wire (5% of dispatches, 5% of 'stories'). Asia is slightly more important than Africa on the SAF wire (6% of dispatches, 8% of 'stories'), and comes next to the African region on the EUS wire (8.1% of dispatches, 10% of 'stories'). On the EUS wire, Asia has more prominence than Africa; on SAF they are about equal. EUS gives more space to Eastern Europe than SAF (on EUS - 7% of

dispatches, 7% of 'stories'; on SAF - 5% of dispatches, 3% of 'stories'). The African wire gives more space to Australasia and Oceania (on SAF - 8% of dispatches, 12% of 'stories'; on EUS - 1% of dispatches, 1% of 'stories'). The European wire gives more space to South America than the African wire (on EUS - 6% of dispatches, 7% of 'stories'; on SAF - 5% of dispatches and 5% of 'stories').

The third-place ranking of the Middle East is in part to be explained by the coincidence of this period with the aftermath of the Cypriot civil war and Turkish invasion; but observation of other wires at different periods indicates that the Middle East has been a fairly permanent crisis centre in recent years. Otherwise, the Third World appears to be represented on the Reuters wires in a fairly even but low-profile fashion. The South African wire it seems does not carry much news of the Black African countries, certainly not as much as was anticipated after looking at wires destined for Black Africa. And it carries about the same amount of news about Africa as the European wire, but then the African news on the European wire is dominated by South Africa. Asia and Australasia in this instance receive more attention on the SAF wire than on the European wire, possibly reflecting commonwealth links. Eastern Europe and South America get more attention on the European wire, probably because of geographical proximity between Eastern and Southern Europe, and because Spain and Portugal have a greater interest than most countries

in South America. These observations therefore might indicate a certain degree of selection of stories for wires on the basis of different market demands.

Whereas the Middle East ranks third on Reuters wires, it is surprising that the Asian region takes third place on AP's Africa wire, and competes for attention with the Middle East on the AP European wire. Asia accounts for 16% of dispatches (19% of 'stories') on the AP African wire, and 9.4% of dispatches (11% of 'stories') on the European. The Middle East takes 10% of dispatches (7% of 'stories') on the African, and 11% of dispatches (7% of 'stories') on the European wires. This may reflect that in the aftermath of peak American involvement in the Indochina war, American interest and AP reporting strength still ran high there.

No other region gets high attention on the AP wires. Eastern Europe is better represented on the European than on the African wires (on EUR - 4% of dispatches, 4% of 'stories'; on AF - 3% of dispatches, 3% of 'stories'). South America gets marginally more attention on the African than on the European wire (on AF - 3% of dispatches, 4% of 'stories'); on EUR - 2% of dispatches and 3% of 'stories'). Africa is about the same in both cases. (EUR - 2% of dispatches, 4% of 'stories'; AF - 2% of dispatches and 4% of 'stories'.) Australasia and Oceania hardly get any space (AF - 0.3% of dispatches and 1.0% of 'stories'; EUR - 0.6% of dispatches, and 1.1% of 'stories').

Although AP's emphasis on North America produces wires which would seem to be rather culturally biased in the eyes of Europe and Africa, this is offset to some extent by the heavier representation of Asia on AP wires in comparison with the Reuters wires. The Middle East is less prominent on AP than on Reuters wires. Eastern Europe is also less prominent on AP than on Reuters wires; so too is South America, and Africa is better represented in proportionate terms on Reuters than on AP wires. The same is true of Australasia and Oceania. In proportionate terms therefore, in their respective coverage of the Third World, AP comes off better with Asia, to which it gives considerable space, but Reuters seems prepared to give more space in general to the Middle East, Africa, Eastern Europe, South America, Australasia and Oceania.

Of course, AP carried many more stories on its African wire than Reuters, and quite a few more stories on its European wire. Did this off-set the differences in the respective proportions of the composite entries on the wires of both agencies? Not a great deal. Comparing the African wires we find as we would expect from looking at the relative proportions, that Reuters carried many more stories on Western Europe (40); many more stories on Australasia and Oceania (59), and quite a few more on Africa (8). However, AP's AF wire carried more on North America, as we would expect (314), a few more on

Eastern Europe (9), and South America (5), the Middle East (12), and many more on Asia (129). Therefore although AP carried 363 more stories on this wire than Reuters' SAF, 314 of these were accounted for by AP's very much more extensive and arguably irrelevant (for Europe and Africa) coverage of North America.[10] Much of the remaining superiority is accounted for by her coverage of the Asian region.

Comparing the European wires, we find that Reuters leads in Western Europe (45 more 'stories'), Eastern Europe (12), South America (22), Africa (27), the Middle East (15); AP leads in North America (213), Asia (18), and the agencies tie in coverage of Australasia and Oceania. Therefore, although AP European wire carried 110 more 'stories' than Reuters South European, this superiority was more than accounted for by the extra number of 'stories' carried by AP from North America, and in most of the other regions, Reuters had the lead. Many of the differences between the wires in Africa can be explained in terms of AP's tendency to dump news there; and in Europe, by AP's concern to make life easier for translators.

If we compare these findings with those for UPI and AFP over an earlier and shorter period, it seems that of the two American agencies, UPI is more similar to the European agencies in its emphasis on Western Europe (though a few percentage points below Reuters EUS wire). And like Reuters EUS, North America ranks second on UPI's UK wire,

though rather more important in proportionate terms on UPI than on Reuters. Africa and Eastern Europe seem to do rather better in proportionate terms on UPI's UK wire than on AP's EUR wire. Asia is much better covered by AP. In absolute terms of course AP and Reuters tended to carry many more stories than UPI. So for the first three days of the five days for which their wires were analysed, AP's EUR carried 353 stories against UPI's three-day total of 256. In other words, AP's EUR carried 38% more 'stories' in an equivalent period. Reuters' EUS carried 292 stories in a three-day period, or 14% more than UPI. AFP's three-day total was 418, and therefore it led AP by as much as 18.4% and AFP actually beat Reuters' EUS by 43% though Reuters carried considerably more dispatches.

Datelines

In the analysis of AFP and UPI wires it is evident that for several regions AFP has a wider spread of datelines, that is to say, AFP's stories appear to originate from a greater number of places than UPI's.[11] In their respective coverage of Africa, for instance, UPI has never more than six datelines during the three days, whereas AFP carries between twenty and twenty-one datelines. This of course confirms the differences of emphasis already noted in terms of stories. Even in the Middle East, an area which UPI did consider important and which ranked second most important area in terms of dispatches and third most important in terms of 'stories',

the American agency provides five datelines a day whereas AFP has between seven and ten. And UPI's Middle East coverage accounted for a higher proportion of its 'stories' than AFP's (though UPI had fewer stories in absolute terms). From the Far East, UPI transmitted dispatches from between three and eight places a day (that were represented on its UK wire), as against AFP's 9 to 12. However, UPI carried more datelines from Western Europe (15 to 28 a day, as against AFP's 18 to 22), and from North America UPI provided stories from between 8 and 14 places a day as against AFP's 4 to 6.

In the coverage of the less developed parts of the world, therefore, AFP's coverage tends to be greater in the absolute number of stories carried and in geographical representativeness. For the developed world UPI has the edge on AFP in this respect, although the agencies are about equal in the number of <u>countries</u> which are represented. The agencies did not differ greatly in their coverage of South America. How <u>even</u> was the spread of datelines? It was notably uneven in the case of UPI's Africa coverage where Cairo accounted for about 50% of all datelines from that region, whereas AFP's Africa coverage shows far greater spread of datelines. UPI's Asian spread is relatively even, whereas on the AFP wires Hong Kong and Tokyo tend to dominate. Middle Eastern coverage was uneven. Israel and Syria took 50% of UPI's datelines from there; Israel accounted for between a third and half of the total AFP file on the Middle East, though Syria was

far less prominent than on UPI's wire.

The distribution of datelines on the Reuters and AP wires reflected the distribution of stories and dispatches. The number of datelines on Reuters' SAF was considerably fewer than Reuters' EUS, about 20% less, almost exactly reflecting the percentage difference between the wires on 'stories' (21%). The number of datelines on the AP wires was greater in both cases than the Reuters wires. AP's African wire carried a few more datelines than AP's European (3% less datelines on the European, but 11% fewer 'stories'). The AP wires were more similar on datelines therefore than on 'stories'.

West European datelines account for 29% of all datelines on Reuters African and 33% of datelines on Reuters European wires. This is about twice as many datelines as from North America, in both cases. On the European wire Africa accounts for about as many datelines as North America, and therefore does rather better on datelines than on stories and dispatches. In dateline terms, the Middle East is less prominent on both wires than in terms of stories and dispatches. On the European wire the Asian region does better in dateline terms than does the Middle East.

North America leads in datelines on the AP wires, accounting for between a third and half of the total. On the African wire there are about twice as many North American datelines

as there are Western European, and nearly three quarters or 75% more on the European wire. Next most important region in dateline terms is Asia, on both wires, followed by the Middle East.

Was there a tendency for any one dateline to dominate each region? In Africa, AP tended to let Cairo dominate - 42% of all African 'stories' on both wires for the five day period. Tokyo accounted for 17% of all 'stories' on Reuters wires from Asia; and 23% of all AP 'stories' from Asia.

Washington accounted for 34% of all Reuters North American datelines, and 26% of all AP North American datelines (encompassing Canada in both cases). Brazil accounted for 19% of all South Amercan datelines on Reuters wires, and 21% of all AP's South American datelines - in this case Brazilian dominance was helped by the fact that both agencies maintain three major bureaux in Brazil. Cyprus, with two or three datelines, accounted for 42% of all Reuters Middle East stories, and 29% of all AP stories (Reuters coverage was very much dominated by the Cyprus events during this period, whereas AP maintained a more regular coverage of the Arab-Israeli situation than Reuters). London alone accounted for 27% of all West European datelines on Reuters wire; 26% of all AP European datelines.

There is little doubt that agency coverage is dominated

ASSOCIATED PRESS EUROPEAN AND AFRICAN WIRES

19th to 23rd August 1974

TABLE TWENTY-FIVE.

	AFRICAN				EUROPEAN			
	Total Dispatch	% Dispatch	Total 'Stories'	% 'Stories'	Total Dispatch	% Dispatch	Total 'Stories'	% 'Stories'
WESTERN EUROPE	311	17	148	16	529	31	215	26
EASTERN EUROPE	53	3	25	3	76	4	34	4
NORTH AMERICA	931	50	430	47	666	39	353	43
SOUTH AMERICA	55	3	35	4	31	2	27	3
AFRICA	41	2	35	4	39	2	31	4
MIDDLE EAST	17	10	67	7	184	11	55	7
ASIA	298	16	172	19	160	9	89	11
AUSTRALASIA & OCEANIA	11	1	9	1	10	1	9	1
TOTALS	1,717	102	921	101	1,695	99	813	99

REUTERS SOUTH EUROPEAN AND SOUTH AFRICAN WIRES

19th August to 23rd August 1974

TABLE TWENTY-SIX

	SOUTH AFRICAN				SOUTH EUROPEAN			
	Total Dispatch	% Dispatch	Total 'Stories'	% 'Stories'	Total Dispatch	% Dispatch	Total 'Stories'	% 'Stories'
WESTERN EUROPE	757	41	188	34	733	37	260	37
EASTERN EUROPE	85	5	16	3	144	7	46	7
NORTH AMERICA	354	19	116	21	475	24	140	20
SOUTH AMERICA	88	5	30	5	124	6	45	7
AFRICA	84	5	43	8	99	5	58	8
MIDDLE EAST	204	11	55	10	243	12	74	11
ASIA	107	6	43	8	161	8	71	10
AUSTRALIA & OCEANIA	146	8	67	12	15	1	9	1
TOTALS	1,825	100	558	101	1,994	100	703	101

TABLE TWENTY-SEVEN

Datelines from Capital Cities.

	Monday 19th August 1974				Friday 23rd August 1974			
	REUTERS		AP		REUTERS		AP	
	SAF	EUS	AF	EUR	SAF	EUS	AF	EUR
No. of Datelines	53	73	74	74	74	85	91	84
% of Capitals	57	59	47	42	57	55	42	44
% Capital City Dispatches	76	75	65	68	70	72	55	61
% Capital City Stories	57	69	57	53	71	67	56	57

Table 27 shows the number of datelines for each wire on both days, the percentage of these which were capitals, the percentage of the wire's total dispatches for that day accounted for by the items originating from capital cities, and the percentage of the day's total stories accounted for by capital cities.

by the capital cities of the world. An analysis was conducted for two of the five days on which Reuters and AP wires were examined.

While capital cities accounted for well over half of all Reuter datelines, they accounted for under half of all AP datelines for the two days. On all wires, capital city datelines accounted for a higher percentage of dispatches and of 'stories' than their percentage of total datelines would indicate. For dispatches the percentages were especially high. On the Reuters wires, capital city datelines accounted for well over three quarters of all dispatches, more so on the European than on the African wire on the first day, but more so on the African wire the second day. They accounted for approximately two-thirds of all 'stories'. AP capital city datelines accounted for around two thirds of all dispatches, and rather less for all 'stories'.

The main reason why AP appears to be less dominated by capital cities is because of its comparatively exhaustive coverage of North America. North America can offer only two capitals, whereas Western Europe of course offers over a dozen. If the Reuters and AP European wires for 19th August are analyzed as above, but <u>excluding</u> the United States, the results are as follows:

TABLE TWENTY-EIGHT

NON-U.S. DATELINES

	Reuters EUS 19.8.74	Associated Press EUR 19. 8. 74.
	(excluding the North America)	
Datelines	64	44
% Capitals	66	70
% Capital City Dispatches (non-us)	69.5	89
% Capital City 'Stories' (non-us)	75	78

This analysis for just one day indicates that when allowance is made for AP's extended North American coverage its datelines are fewer (as would be expected since Reuters specialized in Western Europe), and the percentage of capital city datelines is greater and accounts for almost all dispatches and over three quarters of all stories, and these figures are higher than for Reuters.

Content

On each of the three days they were studied, political and economic news categories dominated the AFP and UPI wires. For the UPI wire, these two categories ranged

between 50-60% of the total each day, and likewise on AFP.

Of all UPI's stories during the three days, 40% were political; 15% of all stories being economic. Sport accounted for 9%. Certain categories can reasonably be linked together to produce a violent-sensational category - intranation and internation violent political conflict, business and political crime, crime and legal, tragedy, disaster and accident. These categories together accounted for between 20% and 27% of each day's UPI file.

Politics accounted for 36% of the entire AFP file, economics 20%. Sport accounted for 6%. The 'sensational categories' accounted for a distinctly lower range of daily percentages - 13% to 22% - than on the UPI wire.

Neither wire gave much attention to labour relations (UPI - 0 to 2.8% AFP - 0 to 2.0%), or to industry (UPI - 0 to 1%; AFP - 1% to 2%). Three categories could be placed together to produce a 'social' category - science and technology; social and welfare; educational, religion and cultural. These together accounted for between 5% and 8% of each day's UPI file, and on AFP between 9% and 11%. UPI gave about 8% to 11% of each day's file to 'human interest'; AFP's human interest proportions were lower - 3% and 9%.

In content therefore there is a striking similarity between the agencies in the emphasis they give to politics

and economics. AFP tends to be a 'heavier' agency in the sense that it gives less story space to sensational or violent stories, less to sport and to human interest, but giving more space to social and cultural stories. In the separate five day analysis of UPI, politics led with 32% of all stories, followed by Sport (18%). Economics ranked fairly low in this week in fifth place (8%). The 'sensational' categories figured more prominently than in the three day analysis, accounting for 33% of the total. The other categories got similarly low coverage.

The content of the Reuters and AP wires was also examined. On Reuters' SAF wire, the percentage of political stories out of the total of each day's coverage ranged between 27% and 40%. Out of the week's total of 422 stories, 146 or 35% were political. Economics (53 stories) was the second most important category - although once it tied with sport and sport once overtook it. The economics range was 8% to 17% and totalled 13% of stories during the week. Sport (48 stories) ranged between 10% and 13% and totalled 11%. The 'sensational' categories of political violence, crime, tragedy and disaster, together accounted for about 24% of the weeks stories (102 stories). Labour relations (5 stories) accounted for barely 1% of the total, and coverage of industry (4 stories) was less than 1%. Altogether therefore these industry-related categories outside 'economics' received 3% of story space. The 'social' categories (41 stories) - science and technology, social welfare, education, race, religion and

culture, got a total percentage of 10%.

Reuters' EUS wire gave between 33% and 39% of story space to politics each day. Total number of stories for the week was 528, and political stories numbered 195. Overall political percentage was almost 37%, slightly higher than on SAF. Economics (60 stories) came second on three out of five days; but business and political crime came second the other two days. Economics accounted for 12% of all stories; business and political crime for 10% of the total. Sport (48 stories) was 9%. The 'sensational' categories (142 stories) took more space on this wire - 27% of the total; 'social' categories (42 stories) took less - 8%. Labour relations (5 stories) was less than 1% and likewise industry (4 stories). Human interest stories on both wires accounted for about the same proportion of wire space in story terms: on SAF - 6% (23 stories); on EUS - 5% (27 stories).

AP's AF wire total number of stories for the week was 699. Political stories ranged between 22% and 32% of each day's total, and accounted for 211 stories altogether or 30% of the week's total. Economic stories were consistently second in importance, ranging between 16% and 21% of each day's total, and accounting for 132 stories altogether, 19% of the week's total. The economics category was therefore larger on this wire than on either Reuters wire. Human interest stories ranked comparatively high - at third place (for 4 days) these accounting for 72 stories

or 10% of the total. This category was followed by sport with 62 stories or 8%. The 'sensational' categories accounted for 139 stories, 20% of the total; 'social' stories, 60 or 9%. Labour relations got eleven stories and 1.5% of the total, about the same as industry, 10 stories or 1.5%.

AP's EUR wire was likewise dominated by political and economic stories. Political stories ranged from 23% to 33% accounting for 176 stories out of a total of 602, or a percentage of 29%. Economic stories were second in importance on three days, and the most important on one day, ranging between 8 and 23% of each day's total and for 88 stories altogether or 15% (less than on AF). Human interest came next with 63 stories, or 10%, then sport with 53 stories or 9%. The 'sensational' categories together accounted for 156 stories or 26% of the total; the 'social' categories for 50 stories or 8%. Labour relations got 10 stories, or 2%, industry rather less at 1% of the total.

In proportionate terms therefore, AP wires carried slightly less political coverage and rather more economics in comparison with the Reuters wires. The combined politics and economics categories accounted for 48% of Reuters' EUS wire and 44% of AP's EUR; while on AP's AF they accounted for 49%, almost the same as Reuters' SAF wire where they had 48% of the total. Human interest stories ranked more highly on AP wires than on Reuters,

accounting for about a tenth of AP coverage, but about a twentieth of Reuters'. Sport was given a marginally less emphasis on AP wires: 8%-9%, compared with 9%-11% on Reuters'. The 'sensational' categories took up about the same proportion of story space on all wires: 24% and 27% on Reuters' SAF and EUS respectively, 20% and 26% on AP's AF and EUR. The 'social' categories also accounted for similar proportions: 8-9% on AP and 8-10% on Reuters. Labour relations took up very little space on any wire, but was given slightly greater emphasis by AP which also gave slightly greater emphasis to industry.

Of course, the AP wires carried more stories in absolute terms than the Reuters wires. AP's AF, in comparison with Reuters' SAF, carried more political stories (65 more), more economic stories (79 more), more human interest (49 more), more non-economics but industry-related stories (21 more), more 'sensational' stories (37 more), more 'social' stories (19 more), and more sport stories (14 more). At least some of these additional stories are likely to be accounted for by AP's more extensive coverage of the United States.

AP's EUR wires, in comparison with Reuters EUS wires, carried 28 more economics stories, 14 more 'sensational' stories, 8 more 'social' stories, 11 more non-economics industry-related stories, 36 more human interest stories. However, Reuters EUS carried more political stories: 19 more, and 5 less sports stories.

Nearly 70% of AP's AF superiority over Reuters' SAF is in the categories of politics, economics and human interest.

If we compare these findings with what we know about UPI and AFP, politics dominated by an approximately similar percentage on all wires. Economics was generally second in importance, but Reuters gave the lowest percentages of story space to economics, perhaps fearful of competing on her general news wires with her specialist economic wires, which are rather more remunerative. The European agencies were similar in not giving nearly as much attention to human interest as the American agencies. 'Sensational' stories of violent politics, crime and natural disaster accounted for a fifth to a quarter of all stories on all wires, although this general category was less prominent on AFP's U.K. wire than the other wires. AFP also gave less attention to sport than other wires. There was relatively little coverage of any other single category of news.

Wire Similarity and Diversity

A greater degree of apparent diversity was discovered than had been anticipated. The UPI and AFP wires were far from identical. On the first day only 27 stories were carried on both wires, and these constituted only 21.7% of all AFP stories and only 42.1% of all UPI stories. On the third day, 34 stories were carried on both wires; and these constituted 32.6% of all UPI stories and only

22.6% of all AFP stories. Had UPI been compared directly with AP and Reuters, it is likely from what we know of UPI, that it would have been more similar to the larger agencies than AFP.

Higher degrees of similarity were discovered between the Reuters and AP wires. For instance, on the 20th August, 60 stories were carried on both Reuters SAF and Reuters EUS wires, and these constituted as high as 70% of the SAF story total and 69% of the EUS total. Ninety-six stories were carried on both AP African and AP European wires, and these constituted 70% of the AP African stories and 78% of the AP European stories.

The number of stories shared in common between the AP wires was higher on each day than the number of stories which the Reuters wires shared in common. That is, Reuters SAF was less similar to Reuters EUS, than AP's AF was to AP's EUR.

Fewer stories were held in common by Reuters and AP than were held in common between the different wires of each agency. Comparing the two African wires we find that AP consistently provided more variety than Reuters. Between a third and a half of the Reuters wire carried material also carried by the AP wire. This material accounted for between a fifth and a quarter of the AP wire. We have already seen that much of this difference in variety is due to AP's extensive U.S. coverage. On four out of

five days the AP European wire offered a greater variety of stories than the Reuters European wire. Between 35% and 44% of Reuters wire space in story terms was also carried by AP; this material accounted for 31%-40% of AP's EUR wire. It is surprising nevertheless to find that over a half of the Reuters wire consisted of material different to that to be found on the AP wire, and vice versa.

National/International

Both UPI and AFP gave significantly more emphasis to stories which dealt with two or more countries directly than with stories which were primarily about just one country. 60% of all UPI dispatches for three days were 'international' and 35% were 'national' (the remainder were mixed). As many as 59% of all AFP dispatches were 'international', 32%were 'national.

48% of UPI stories were international, 40% were national. (In the separate five-day analysis of UPI's UK wire in terms of stories, 43% were national and 41% international.) 62% of AFP stories were international, and 30% were national.

The national/international breakdown on the Reuter and AP wires was done for dispatches only but this indicates alone a heavy emphasis on 'international' type stories. During the week Reuters SAF duspatches were 59% international, 38% national, 3% mixed. Reuters EUS wire dispatches were 69% international, 27% national and 3% mixed.

AP's AF dispatches were 62% international, 35% national and 2% mixed. AP European dispatches were 66% international, 32% national and 2% mixed.

As a general rule, about two thirds of these agency dispatches are international and a third national. It is probable that this percentage in favour of international would fall on a story analysis, but that international would still be the largest proportion. The initial prediction was confirmed.

In summary of this section it can be said that the major findings indicated a continuity in the major features of agency content balance, and in particular continuity in their emphasis on political coverage, in comparison with previous studies of agency wires.

The major differences between agencies, and between different wires of the same agencies, lay in the relative lengths of the wires, in terms of stories and dispatches; and in the relative space allocated to different world regions. All agencies shared a predominant interest in the western world, but this was least marked in the case of AFP; and in the case of AP, there was much greater emphasis on North American news for European markets than in the case of UPI which fed more West European news to European markets. Most important of the non-western regions was the Middle East, clearly reflecting the dominant western concern with the third world at that time. These three regions accounted

for very substantial proportions of all news on all wires.

There is very clear evidence of capital city dominance of coverage in all wires. Major content categories were politics, economics and sport. With the partial exception of AFP, the agencies are very similar in the percentage of their news (around a quarter of all news) which falls into what have been described as the 'sensational' news content categories. News related to social welfare, technology, science, labour relations, etc. gets very little play even when all these categories are put together. AFP appears to be the most distinct of all wires in that it gives less place to news of the western world, has a wider spread of datelines within and across world regions, and carries less 'sensational' news. It also does very well in the sum total of stories it carries, but these are probably much shorter than those of other wires.

Despite similarities in content balance between most of the agency wires, there is still quite a surprising measure of dissimilarity of substantial content, which ranged from around a quarter to a half of the content of most of the wires.

Analysis of breakdown into international and national categories by dispatch showed a clear preponderance of international stories, but this percentage fell on a story basis. Precisely because international stories are about more than one country they are likely to

generate more dispatches (from different datelines) than national stories. But this in turn implies that international stories take up more wire space in wordage terms, assuming that average dispatch length remains constant (there was not time to pursue this). Overall the evidence points to heavier representation of international stories: confirming evidence comes from one of the constructed 'stories' presented to respondents (see Chapter 10) designed to test this, although the same respondents were evenly divided as to whether they felt international news accounted for more or less than 50% of their output. On the other hand it is very likely, as Hester reports in the case for South American news[12], that editorial desks tend to cut down on the purely 'national' stories in distribution and increase those with international angles.

Alternative News Arrangements

Despite the differences recorded in this analysis, the degree of similarity between the agencies has been sufficient for many to lament the absence of real alternatives amongst the sources of international news. Some recent alternatives that have been canvassed include the development and expansion of those news services closely associated with particular newspapers, of which the New York Times News Service is one of the best known.

On the face of it, the New York Times News Service is an admirable alternative to the agency sources: since it consists of detailed background copy originally written

for inclusion in the paper itself and distributed on teleprinter basis around the world. It would seem to be very complementary to the service of a worldwide news agency, the one providing the 'hard' news, the other providing deeply informed background material.

A short analysis was conducted of New York Times News Service overseas wire to examine the extent of similarity or dissimilarity with global news agency character. Two periods were chosen: a five-day analysis from 25th March, 1974 through to 29th March inclusive (all weekdays), and a three-day analysis from Saturday 19th October through to Monday 21st October, 1974.

The wire was very heavily dominated by American news in both periods. The total number of dispatches for the five-day period was 386, of which 64% were U.S. stories, 13% were mainly non-U.S. stories, and 23% were 'mixed'. However, the non-U.S. stories got better lineage. U.S. stories accounted for 60% of total lineage, and non-U.S. stories for 17%. Of the non-U.S. stories therefore those which were related to U.S. interests ('Mixed') received higher priority than pure foreign stories. This indicates relatively low marketing orientation towards the requirements of non-U.S. countries.

In the three day analysis, 65% of dispatches (total number 167) were U.S., and few other countries got more than one story a day. Almost 15% of the total were from Europe

and the U.S.S.R.

The single most important content category for the five day period was economics (22%), followed by politics (19%) and business and political crime (16%). These three categories accounted for almost 60% of all stories. The 'sensational' categories (international and intranational violent political conflict, all kinds of crime, tragedy and disaster) scored 25% of the total; the social categories (science, technology, social welfare, race, religion and culture) 12%, labour relations 1.5%.

Not only was this wire extremely American in approach, but its content breakdown was very similar to that of the major global wire services. Non-violent politics was also the most important category in the three day analysis, (32%). Economics ranked less important here, perhaps because it was a weekend period. Instead, sport ranked second in importance (10%).

Economic News Services

The main comparative analysis did not extend of course to all the most important of the global agency services, in particular to the economic news services. Meaningful comparative analysis of economic services, especially between those of AP and Reuters, presented very difficult problems in that there is a bewildering variety of such services, and there is great flexibility in their arrangement. They are also directed to a very wide variety of

client groups.

To gain some idea of some of the characteristics of leading economic services, certain Reuters economic services were examined for very short periods. Three wires were considered: Reuters' Money Report over three days, from Wednesday 10th September to Friday 12th September, 1974; the Reuters' City Ticker for one day; and Reuters' Commodity Service for one day.

Reuters' Money Report over the three days examined totalled some 95,000 words (according to a Reuters spokesman), and 1013 dispatches. The wire concentrated on monetary dealings: 35% of the wire's content in terms of dispatches was devoted to news concerning monetary exchange rates. If this is considered in conjunction with news about bullion exchange rates and currency dealings, the total proportion of the wire devoted to financial speculation comes to 62%. The origins of all this information reflected the structure of the world's financial markets, London accounting for 31%, New York for 20%. Germany ranked third, followed by Switzerland and France. These five countries accounted for nearly three quarters (73%) of all the information; the United States and Western Europe combined accounted for 88% of this western category. Japan was origin of only 29 or 3% of all dispatches.

In addition to the categories of menetary exchange, etc., the wire carried news of such matters as import-export

figures, bank loans and interest levels, raw material prices, reserve ratios, etc. In all the researcher distinguished some 23 categories for analysis of the wire, but the percentage of space allocated to most of them was small by comparison with monetary dealing categories.

Comeuro, the commodity wire, was analyzed for one day. The main part of the wire carried an estimated 59,000 words and 644 separate datelines. But there was included a daily Tokyo report (compensating perhaps for the relative absence of Japanese information on the Money Report), which was not commodity based. On the day studied the Tokyo report accounted for 44 datelines. The largest categories of news in the Tokyo report were violent political unrest, disasters, monetary exchange rates and currency news. Two thirds of the report (66%) were general news items, and most items actually originated from Japan.

The rest of the Comeuro wire carried a fair amount of general news, but 89% was commodity news or related items. One quarter of the total was taken up with sugar, cocoa, spices, coffee and tea prices. Next most important types of item concerned money dealings (13%), non-ferrous metals (12%) and soyabean meal, oilseed and copra (13%).

Identifying the origin of stories was not always clear but the largest single source was evidently the United Kingdom, with about 36% of all datelines, followed by the United

States (27%). North America and Western Europe together originated over three quarters (77%) of all items, reflecting the location of the most important world markets.

The City Ticker Service, estimated at 43,000 words and carrying 520 dispatches, proved to be very exchange oriented: the main categories were money dealings (34%), stock exchange prices (30%) and industrial news (14%). Main sources were the U.K. (30%), the United States (21%), while Western Europe and North America together accounted for over three quarters of the total (79%). These wires reflect the very heavily specialized character of Reuters' economic news services. General news on the whole had little space here. The content reflects the centralization of world economic activity in North American and West European markets; Japan was not well represented, perhaps reflecting relatively poor financial interchange between Japanese and Western stock exchanges and commodity markets, and also differences in time zones.

National News Service

In an earlier chapter (Chapter 8) some consideration was given to the consumption of global agency material on national news agency wires. In addition it was felt that some picture of the overall character of a general news service at a national level, in addition to the foreign news it carried, would be useful.

The Press Association (PA) and part-owner of Reuters

produces a variety of wires, most important of which are the 'A' (trunk) wire, 'B' wire (secondary news), 'C' wire for sports, 'D' wire (foreign, sport and city news), 'E' wire (racing and sport). Most provincial daily papers in the United Kingdom take all these wires. For the purposes of this study the 'A' was examined for five days from Sunday, 27th October to Thursday 31st October, 1974, and the other wires were examined for one of these days only (October 31st).

During the five day period, the 'A' wire carried 1,197 news dispatches, representing 315 stories, running to a lineage of 13,167 (estimated wordage 92,168). By far the single most important of 15 content categories for the analysis was <u>labour relations</u>, accounting for 24% of all stories. This important finding indicates therefore that at least in the case of this national agency, the extreme dearth of labour stories on the global agency services is sufficiently well compensated for at the national level, and that labour news although highly visible at a national level is not considered by the 'gatekeepers' as significant <u>international</u> news, unless it occurs at the national political level and is there subsumed under the general 'political' heading, but of course this applies only to a certain proportion and a certain level of labour news development.

If the two major political categories are collapsed into one (political parliamentary and political non-parliament-

ary), they account for 20% of the total stories. Economics and industrial news also figure prominently on this wire by comparison with the global agency wires, together accounting for 18% of the total, and with the labour relations category already discussed, for 42% of the total.

Other significant categories were crime (9%) and terrorism (related to Northern Ireland: 11%). Including the 'tragedy etc.' category, then, the 'sensational' news categories here took up 23% - very similar to the average percentage for most of the global agency wires. Human interest received relatively little play (6%). The 'social' categories do not appear to get much more attention on the national wire than on the global wires (5% altogether).

Other studies had noted how global agency wires do not specify their sources in a substantial proportion of all stories. In this study at a national level, an attempt to assess the authoritativeness of the primary news sources was made in terms of four categories[13]:

(i) eyewitness named and unnamed, personal statements;

(ii) delegations, conferences, spot reports on Parliament, workers' leaders statements, company statements, spot reports on courts;

(iii) unnamed official sources;

(iv) named official sources.

On four of the five days, category (iii), unnamed official sources, accounted for the highest percentages of all cases, ranging from 33% to 57% of the total number of dispatches,

and on the fifth day, category (iv), named official sources, dominated. This last category was second largest on the other four days, ranging from 24%-30% of the daily total.

The national wire showed heavy concentration on London and the home counties in an analysis of the origins of stories, thus reflecting the emphasis on news of nationwide significance, much of which occurs in the capital, London. If this is true of national agencies as a general rule, and if, as seems very likely, national agencies are very important sources of news for the global agencies, then this finding also helps explain the concentration of global agency news services on capital city news. In this case, London and the home counties that surround and partly make up the Greater London area, accounted for 63% of all stories, followed by Glasgow (11%) and Northern Ireland (10%).

Study of the 'A' wire for five days was followed by a study of all wires for just one of those days, 31st October (Thursday). The 'B' wire actually carried more stories than the 'A' wire that day (86 compared with 74), and showed a difference of emphasis, 19% of stories falling into the 'crime' category, and a similar percentage for human interest stories. 'Heavy' spot news developments in politics, industry, economics and industrial relations still accounted for a significant percentage of the total: 44%. The 'social' categories were not especially prominent (13%). Almost half the stories (49%) were

TABLE TWENTY-NINE

AUTHORITATIVENESS OF PRIMARY NEWS SOURCES:

Press Association 'A' wire - 27-31 October 1974

		No. of 'Stories'	% of Total
(i)	Eyewitness, named & unnamed	29	8
(ii)	Delegations, Conferences etc.	81	22
(iii)	Unnamed official sources	117	37
(iv)	Named official sources	138	32
(v)	Other	4	1
		369+	100

+ Figures include multiple rankings.

sourced to named official sources, and a third (31%) to unnamed official sources. London and the home counties originated 64% of all stories.

The 'C' and 'E' wires were primarily sporting wires. The 'C' wire carried 52 stories that day; most important categories were advance racing news and results (29%), commentary and tips (23%) and soccer commentary, results etc. (17%). The first two categories (devoted to horses) account for a very high percentage of total lineage (69%). The 'E' wire carried mostly racing results, (three quarters of all lineage) and some unit trust prices.

The 'D' wire was the foreign news wire, although it also carried a heavy chunk of city news and sports results. These two categories accounted for 60% of the very heavy lineage (5,306) on this wire. Apart from these there were 102 stories, a quarter of which fell into the general politics category, 18% were sports stories and 13% were industrial. A quarter of the stories (23%) actually originated in the United Kingdom, and a further 22% came from the United States.

How would this compare with an original Reuters wire? A one-day analysis of the Reuters UK wire for 28th September 1974 showed 139 stories for that day, of which 23% were from the United States but only one was from the U.K. But whereas the PA carried 109 stories, amounting to 2,120 lines, Reuters' 139 stories amounted to 4,693 lines.

In addition to the 'foreign' stories originating from the U.K. in the PA wire, a further 29 or 27% were foreign stories directly related to the U.K. On the basis of this short analysis therefore it would appear that the PA's selection of foreign news is actually relatively slight and extremely U.K.-oriented or culture bound. However, the PA did use more than Reuters as a source. Almost 60% of all 'foreign' stories were attributed to Reuters, 22% to the PA, and only 9% to AP.

In the last sections of this chapter therefore, the possibility of an alternative to global agency news has been explored (New York Times News Service), but found inadequate for that purpose although a useful complementary source of (mostly) American news. Some attention has been given to Reuters economic wires for non-media clients, which are shown to be highly specialized and very much reflective of the structure of market activity in the western and capitalist world. Finally, the news package as it is received by a client of a national news agency in a developed country (the PA in the United Kingdom) was taken as a whole. This showed that certain news categories, such as labour relations, which are not prominent on global agency wires, are much more prominent at this level. Other categories are less well presented. The selection of foreign news, although this question needs much more extended research, does in this instance appear extremely culture-bound and possibly sketchy.

1. Cutlip, Scott M.: Content and Flow of AP News - From Trunk to TTS to Reader; Journalism Quarterly, Vol.31, 1954; pp. 434-445.

2. Hester, Al: An Analysis of News Flow from Developed and Developing Nations; Gazette; Vol. XVII, No 1/2; 1971.

3. IPI: The Flow of News; Zurich 1953

4. Cutlip, Scott M.: op. cit.

5. Adams, John B.: A Qualitative Analysis of Domestic and Foreign News on the AP TA Wire; Gazette; Autumn 1964; pp. 285-295.

6. Hester, Al: op. cit.

7. Weibull, Lennart, Olsson, Claes-Olof, Lundquist, Lars-Anders: Nordisk Nyhetsformedling; Statsvetenskapliga Institutionen; Goteborgs Universitet 1971.

8. Hester, Al: The News from Latin America via a World News Agency; Gazette; Vol.XX, 1974.pp.82-98.

   A comparative study of Reuters and AFP wires to Independent Africa came to the author's attention after this chapter was written. This confirmed the findings reported here of AFP's tendency to give a broader range of news. It also reported high regionalization - 40%. considerably greater than that found on the files for white South Africa. cf. Bishop, Robert L: How Reuters and AFP coverage of Independent Africa Compares; JQ, Vol. 52, No.4, pp. 654-662, 1975.

9. Harris, Phil: unpublished M. Phil; University of Leicester. cf. Bibliography.

10. Note that the totals given here are the daily totals of the category 'stories or parts of' and as such over-represent the basic story totals as reported on pp. 11-12.

11. This is probably, not absolutely certain: it could be that for AFP a single story consists of dispatches from a wider spread of datelines.

12. Hester, Al: op. cit.

13. Devised by research assistant Denis Holt.

CHAPTER THIRTEEN: Theory and Practice: from Cuba to Vietnam

1. Professional Ideology

As important news sources for media all over the world, news agency executives are frequently invited to explain the principles that underlie their operations. Two outstanding characteristics of the public statements that result are their relative lack of sophistication and their relative uniformity. This chapter examines the underlying rationale of professional ideology in news agency work as it is thus presented, as others have described it in South America, and as the author himself discovered it in South Vietnam during the early 'seventies. American agency coverage of South America at the time of the 'Bay of Pigs' fiasco was considered suspect by some observers - it was held to be too trivial, or too much geared to the interests (or fundamental lack of interest) of North American media in the subject. Whatever the actual circumstances, there seems to be an important difference between the attitude of the critics towards agency coverage of South America and Cuba at about this time, and the praise extended to the initial agency coverage of the Vietnam war from the point of major U.S. involvement. Between Cuba and Vietnam, perhaps, the agencies had learnt an important lesson. But first let us consider some formal statements on the nature of agency work.

The task of conceptualizing the nature of news-agency work seems to present no great difficulty to those who do it. In the picture presented by various news-agency executives, it is the task of the agencies to report the news of major political, economic, judicial, and social issues of the day, both to inform and to entertain. In doing so, the agencies report 'objectively'. That is, their reporting is not determined by narrow sectional interests, only by the interest that derives from the professional ethic of journalism: namely, the obligation to present accurate information to readers about the kind of matters which readers most want to know about. An indication that the agencies are performing well in this respect, the executives will often say, is the frequency with which they are attacked from different quarters, some saying they are too much to the right, others that they are too much to the left. This is held to show how the agencies steer a straight course through the islands of prejudice on both sides. This is not to say that they are free of human error, and they will freely admit to mistakes that have been made - such mistakes sometimes have celebrated status in the occupational folklore. But fundamentally, the argument runs, agency coverage is determined by an interest that is higher than most other interests, and can command the trust of most.

The fundamental basis of news-agency work as it has been expressed by a vice-president of UPI, Roger Tatarian, is 'to be a faithful proxy, or stand-in, or substitute eye-

witness, for the editor who cannot go to observe a distant event for himself'.[1] Editors of course can be a very heterogenous body of people; the implication is that these are editors who subscribe to some concept of objectivity which is common to them all, and to the agency; yet agencies in practice serve bodies of editors who subscribe to very different notions of objectivity. But for Tatarian, '...there can be no doubt that in its role as a stand-in or eyewitness, an agency's first and overriding obligation is to give the distant editor the unvarnished facts of the situation'. Perhaps he is talking only of American editors, UPI's most important sources of revenue.

In meeting its overriding obligation, the agency has the same responsibility that is discharged with such apparent faithfulness by the American media generally: the separation of facts from commentary. As Tatarian says:

> The agency must also give interpretations and assessments, but only after its first responsibility is discharged, and the two must not be confused. Without the facts the distant editor would not be able to reach his own opinion or make his own assessment - he would be in danger of being the prisoner of someone else's opinion and assessment.

Professional interest governs the process of commentary just as it does facts:

> Agency journalists must also make certain that their reportage is influenced solely by professional considerations at the point of publication, and never by interests or pressures at the point of origin, particularly at the point of domicile.

In this view of the agency journalist's task, therefore,

five principles are evident: (i) the journalist must report the news as accurately as a newspaper editor-client would report it if he were there himself; (ii) assuming of course that the editor in question has principles of news-gathering that correspond with the agency's own, these values having some relationship with the strategic concept 'objectivity' and which are assumed to be generally characteristic at least of American newspaper editors; (iii) and this correspondance of value extends to the distinction to be drawn between 'facts' and 'commentary', and to the general rule that (iv) reporting reflects general professional and not sectional interests, it being further assumed that (v) professional interests are themselves undiluted by either sectional or national interests.

Demanding though this body of principles may seem, it is not difficult to be impartial, according to Wes Gallagher, general manager of Associated Press:

> But it isn't all that difficult to be impartial. First, the journalist's job is to gather all the facts - I repeat all the facts, not just those on one side. Then he must present them fairly to both sides. He lets the reader decide which side he feels is correct. This may be a very unpopular thing to do, but it is not technically or intellectually difficult. Certainly, no more difficult than the task of judge in weighing evidence.

With this assurance, Gallagher can advise young journalists to be 'the best professional you can and don't let your ego overtake your conscience'. The public however, do not accept that the task of weighing evidence, either that

performed by a judge or by a journalist, is as unproblematic as the head of America's leading agency would have us believe. The agency executives are alive to this and have their own ideas as to the origin of the credibility problem. Grant Dillman, as UPI's Washington News Editor, identified three basic reasons for the credibility problem: (i) explosion in the volume of news and its complexity since World War Two; (ii) annoyance with the 'bad' news; (iii) imperfect understanding of the media's role in society.

Accusations against the media, especially the agencies, Dillman seems to suggest, indicate that something is amiss with the reading public. Roger Tatarian would agree. Making an interesting statement of equivalence between journalism and constitutional democracy, he goes on to say:

> One of the frustrating aspects of our profession is simply that it is taken for granted, so much so that few people ever stop to ask how a society such as ours could function without it.

The enemies of agency objectivity in news reporting and presentation are identified by Tatarian as the government, the legal profession and the 'pleaders of special causes', those who are 'unable to distinguish between the world as they would like it and the world as it really is'. Under attack from both the Establishment and from minority groups, according to such a perspective, the journalist becomes a lone crusader in search of truth:

> Today it is the newsman, the reporter, the editor who stands alone, separated from society but a vital part of it - divorced

from the action but a recorder of it.

Thus Wes Gallagher, in a vision of the journalist as modern hero with a mission: continuing -

> The concept of objectivity in the news and the reporter being a noncombatant and an observer rather than a partisan is relatively new in journalism. It is this striving for objectivity that places the journalist apart from society today. It is this struggle for objectivity that keeps him awake at night as he wrestles with the facts. It is this concept of non-partisanship that makes him fair game for the partisans.

As hero, and in grace therefore, he must not heed criticism; criticism comes of the devil and must be shrugged aside.

> This lonely end position makes the journalist fair game for critics, but we should not worry about this. The louder the critic, the less founded his criticism is likely to be.

He should distrust attempts to make the principles of journalism more explicit to the public, through, for example, the institution of press codes.

> The public has serious doubts on many facets of the news now without having its confidence further undermined by the adoption of vague generalities which infer there is something in the news too distasteful for them to know, or even more insulting too difficult for them to understand.

To be fair, once one eschews obvious partisanship - commitment that is to an identifiable body of material interests - the ways are limited in which to go about the task of describing an event as a reporter in clear and direct language, with an awareness that different people have different perceptions and that perceptions are coloured by interests. There <u>is</u> nothing particularly difficult about reporting, assuming the psychological and

sometimes the physical nerve: the basic objective is to relate who the immediate actors in the event were, what it was they did or attended to, when and of course where it happened. Thus far well and good. It is not a perfect process because human nature being what it is it cannot be perfect: absolute 'truth' is beyond any particular individual's ability to grasp entirely. There is always a margin of error, but the margin of error is far from being too great to make the idea or the claim to 'objective reporting' inherently ridiculous. Those who have argued otherwise have actually done harm to their own position by flying in the face of the everyday experience of consumers of the mass media: the willingness of very large sectors of the total population in America and Britain for example, to place their trust in the capacity of the mass media to do a tolerable job on news-reporting.

But it is because agency executives generally focus on the act of reporting a given event as the core of their professional task, and they have plenty of good reasons for so doing, they tend to end up describing and defending that professional activity in the rather naive and simplistic manner that we have seen. There is a tendency to ignore or evade the real task of explaining, of providing the answer to the question 'Why?' which is generally more than a matter of simply saying what preceded the given event. This is at the heart of the crisis of journalism today. In refusing as it were to go to a higher level

of argument, these agency executives (and journalists who justify normal coverage in similar terms) give the argument over to the other side.

The arguments that attack the kind of position taken in, say, the quotations provided above that have to do with the value - neutrality of journalism, these arguments have been well rehearsed in many academic studies of mass media, and probably do not need to be summarized here. Suffice it to say that journalism has to be considered from points of view other than the simple components of the immediate reporting task: namely, the media orgain-ization which employs the journalist and that organization's direct and indirect business and related interests; the socio-economic character and national identity of the journalists themselves and of their strongest audiences; the status of the concept 'professionalism' which implies that organizational members share a total commitment to a body of rules and norms which may however be so vague as to be in conflict or incapable of operationalization. Looked at from these points of view, journalism is no longer quite such a simply or easily explained task. Thus, one needs to ask why it is that certain issues are covered and not others; or to ask how it is that an 'event' becomes an 'event' at all - what needs to be overlooked so that any fragment of the chaos that is reality can be considered so distinct or discreet a phenomenon as to constitute an event?

Criticism of the agencies in terms of a philosophical objection to a norm of 'objectivity' or 'impartiality' is not especially new, and such suspicion is well-established in Marxist thought. There is however a body of more practical criticism which bases its observations on empirical evidence, and aims to expose failures to achieve 'objectivity' rather than query the attempt itself. What research that has been done in this respect is rather limited and much of it is summarized in Rucker's short account of American news and feature services.[2] Rucker claimed to find numerous examples of disagreement between the news services on the facts of certain specific stories; or cases where certain facts were mentioned by one agency and ignored by another. In many ways the agencies stand accused of inaccuracies and the reporting of what are deemed by intellectuals to be trivialities at the expense of what might be considered rather more important phenomena. Where there is some suspicion of political prejudice, that prejudice is generally seen to favour the Right in internal matters and to be pro-American and pro-'cold war' externally. On the other hand these examples may reflect the pre-occupations of the intellectuals in this field of inquiry. Of late, certainly, the American agencies have shown perhaps unusual sensitivity on the issue of 'establishment bias', and this was demonstrated in one or two striking decisions taken in the matter of disciplining reporters. In April 1974, Wes Gallagher, general manager of Associated Press, suspended a photographer, one James Mone, from the

Minneapolis bureau, following Mone's testimony at an evidential hearing that he had given information to FBI agents at a roadblock outside Wounded Knee during the South Dakota villages 71-day Indian occuption in 1973. Gallagher's comment was that '...it is against AP policy for any AP man to be involved in any way in any news story'. The information which Mone passed on to the FBI agents and which earned him his (temporary) dismissal, was a certain estimate of the number of people he believed to be inside the village at the time. He also gave details of statements at a press conference by Indian leaders. John W. Hushen, the Justice Department's Director of Public Information, called the suspension 'deplorable'. In further explanation of his decision on this affair, Gallagher was reported as saying:

> Obviously there are cases and circumstances where a journalist, like any other citizen, would have an obligation to report to the authorities or testify about criminal events. But in this case the FBI sought to use a journalist to gather information which they should have been gathering themselves.[3]

He added that this sort of action was likely to jeopardize the safety of AP staff who might need to cover events involving 'radicals or other fringe elements of society'. In his letter to Mone he wrote:

> News that an AP man has been collaborating under cover with the FBI will be quickly spread through all the radical groups, jeopardizing the safety of AP men assigned to stories involving those groups.

A year later, however, an arbitrator ruled that Mone be reinstated with seniority and contract rights, including full back pay from the time of his discharge. The

situation leading to Mone's dismissal was described by the arbitrator as a 'fluke' - his employer was accused of discarding him instead of defending him.

Ironically, a UPI photographer also gave information to the FBI in their enquiries at the time of Wounded Knee. But the report in which the information was given was not introduced as evidence in the trial. FBI agents interviewed Bruno Torres when he returned to his office on March 26th, 1973. In his evidence Torres said he saw some Indians carrying automatic weapons at Wounded Knee but was unable to identify most of the Indians. He did identify three men who were AIM leaders. Torres was not dismissed from UPI. In a statement on the case, UPI vice-president F.W. Lyon had this to say:

> I have talked to Bruno Torres and am convinced that he has followed UPI's policy in connection with such matters to the letter. He volunteered no information to the FBI. He did reply to their questions concerning actual published photographs which he made at Wounded Knee. It is our policy that any photographs or news stories which have been distributed to UPI subscribers and are therefore in the public domain are proper subjects for official inquiry. However, our photographers and reporters are not authorized to act as informants or volunteer other information and we are satisfied that nothing of that type occurred in this case.

The late 'sixties were a time of unprecedented public questioning of the media's ability to report the news without supporting any particular faction. This period of doubt was fed by public concern over the manner in which war was being conducted in South Vietnam, and by the increasing recourse of political groups at home to forms of extreme protest. Some of the caution and

defensiveness that these processes occasioned in the minds of those most responsible for the gathering and distribution of national news is evident in the Mone decision, and indeed in the kinds of public statement earlier referred to in this chapter.

2. Practice: South America

In the material that has been published about the role of the (mainly American) agencies in South America up to and including the Cuban crisis of the early 1960's, the caution and defensiveness apparent in the above section were not so evident. The most striking aspect of the agency role in South America is the degree to which South American countries were (and to a slightly lesser extent still are) dependent directly on the agencies for their news - more so perhaps than in most African and Asian countries where national news agencies intervene in the flow of news and to a very small degree supplement it with news from some of the smaller western and communist agencies. These circumstances did not go unlamented at early sessions of the Pan American Press Congress; for example the U.S. agencies were frequently attacked for what was described as inadequate and biased Latin American coverage, though it was also argued that the news selection policies of both Latin and American media were to blame. Congress in 1943 passed a resolution requesting the foreign news agencies to hire native journalists only to head their bureaux and to increase Latin American news output.[4]

Although maybe not in response to the Congress resolution, there seems to have been some increase in the number of South American bureaux chiefs since that time. The overall pattern of dependency of Latin American media on the agencies did not noticeably decline, however. In an often-quoted study, Markham (1961) found that seven leading metropolitan South American newspapers relied almost entirely for their foreign news on the US agencies and on AFP. UPI in particular provided more than double the number of stories provided by any other agencies. Yet these papers carried about twice the volume of foreign news carried by a set of comparable North American papers (which with the exception of the New York Times, relied on the two main US agencies for almost 82% of their foreign news), even though the South American papers had only about half the space available to the US dailies.[5] No wonder therefore that South American newsmen should express anxiety about patterns of North American news agency coverage. The broad findings of this study were confirmed in a study conducted the year Markham's research was done, and this covered 20 Hispanic papers in 19 South American countries, showing that the primary source of US news in these papers were AP, UPI, and AFP.[6] Some discrepancy was noted between the balance of news provided by these agencies and the balance of news used, but a further study of three Argentine dailies in 1963-4 concluded that the international news preferences of South American papers coincided with the kinds of news provided by the agencies.[7] Yet perhaps this simply

indicated that the papers used what they were given: the study noted that two-thirds of the news in the Argentine dailies originated from the western hemisphere, reflecting very much the balance of news typically provided by the agencies.

In face of the degree of dependency that existed, the criticisms of some researchers are especially significant. Kelly for example in 1962 noted a preoccupation of the wire services in their coverage of South America with the Cuban situation, thus confirming the dominance of US interests at the possible expense of client interests in the region. He recorded what he considered to be certain inadequacies of reporting, and itemized four major kinds of failure: (i) failure to report events of importance; (ii) failure to convey important information relevant to certain events; (iii) failures of commission - too much stress for example on the time factor leading to neglect of other considerations; (iv) poor news selection - an inordinate amount of space devoted, for instance, to Billy Graham's tour of South America.[8] In response to Kelly's criticisms, UPI claimed the research had not taken into account all the possible material concerning South America, including a special Latin American report compiled for 25 clients with a special regional interest.

Nevertheless, the spirit of Kelly's criticisms have been repeated elsewhere notably by Barnes in 1964, who was inclined to put part of the blame for what he agreed was

a faulty service of Latin American news on the fact that a high percentage of agency staffers on the continent were Latin American nationals (precisely the state of affairs that would have won the support of many representatives at the 1943 Pan American Press Congress). Barnes estimated that about 70% of news agency staff correspondents working for UPI in South America at the time of writing were South American nationals, higher than the figure for AP.

> If any generalization can be made about these staffers, it would be that the majority of them are underpaid, under-motivated, and under-trained, and that many of them have vested reasons - political, family, or other - for not giving an objective treatment of the news. The average salary for a fairly well remunerated local stringer is around 85 dollars a month - and their gripe is that Americans get more.

On the other hand these staffers may have been getting higher salaries working for the agencies than they would have done working on Latin American newspapers: discontent with salaries was not what influenced many of these journalists to accept even lower rates of pay working for the new continental agency, Latin, after 1970.

In addition to the possible element of bias that might enter the news process as a result of employment of too many locals, Barnes was also concerned about the level and quality of demand for South American news on the all-important North American market. He noted that only 26% of the South American news that was sent to New York appeared on the US domestic agency wires. A heavy proportion of the news filed out from Bogota also indicated

overemphasis on sensationalism: banditry, disasters, political violence accounting for 38% of AP's output, and 31% of UPI's. Non-violent political, social and economic categories accounted for 28% of the file in both cases. Much of the 'substantive' news of political, social and economic phenomena Barnes noted, in this content analysis over a six-week period in 1963, was weeded out in New York. Such stories were often in any case hooked on to violent incidents, and it was the violent incidents very often that remained when the rest of the stories were cut. Some of these conclusions were confirmed even a dacade later in Hester's study of AP's South American coverage discussed in Chapter Twelve.

Barnes recorded a certain amount of 'colouring' which was introduced by descriptive nouns and verbs, and might have suggested an implicit bias: Castro for instance was inclined to 'bellow' at mobs; Guevara would 'harangue' at conferences. Health campaigns in Cuba were described as 'propaganda campaigns', and in Chile people were 'lured' into voting for left-wing parties. A sub-species of this kind of colouring Barnes termed the 'nutshell epithet': for example, "...Leonel Brizda, fiery leftist brother-in-law of President Goulart...", "...Peron, former dictator of Argentina..."; and "...Alfonso Lopez Michelson, whose party is rife with supporters of Fidel Castro...". Barnes described Lopex as a moderate Colomban progressive. He concluded that the agencies tended to see South America

from a North American and cold-war point of view. Nevertheless, he indicated that Latin American publisher clients of the agencies were even more conservative than the American, and sensitive too, because their lives were often at stake. In their interpretive coverage on the other hand the wire services, in Barnes' view were beginning to make inroads into the otherwise over-simplified image of Latin America they had helped perpetuate in their hard news coverage. AP more than UPI seemed to have been successful in promoting interpretive material.[9]

Such criticism of agency practices and news presentation as we have seen in Barnes' account has its origin in aspects of western journalistic, professional values concerning the nature of 'news', and implies that excessive attention is given to immediate client interests at the expense of long-term understanding. But they do not usually go beyond that to impute some deliberate political motive. One important account however does do so, and this is in relation to the notorious 'Bay of Pigs' Cuban invasion, and the way the agencies handled the build-up to that event.[10]

Victor Bernstein and Jesse Gordon record how in November 1960 it was brought to the attention of the Nation that Ronald Hilton, director of Stanford University's Institute of Hispanic American and Lus-Brazilian studies, had just written in the Hispanic American Report that it was

common knowledge in Guatemala that the CIA was training Cuban exiles at a secret base there, preparing for an invasion of Cuba. The Nation ran an editorial on this in its issue of November 19th, and copies of that editorial were circulated to all major news media when the issue went to press (November 11th), while some news bureaux were contacted by 'phone.

> The Associated Press was called three times; each time a different desk man answered, professed interest in the story, but said he hadn't seen either the release or a proof of the editorial. Could duplicates be sent immediately? Three duplicates were sent in as many hours, apparently to end up on the desk of someone in the AP heirarchy who didn't want them to go any further. In the end neither the AP nor the UPI used the story, nor did they request any check on it that weekend from their correspondents in Guatemala.

The apparent reason for the agencies' reluctance was revealed in a telling quote from a UPI editor, Francis L. McCarthy, head of the Latin American desk: "yes", he admitted, "there's a big base in operation in Guatemala and US planes are flying in and out. But the Pentagon denies any knowledge and the State Department says 'No comment'. One story we hear is that the base is being built by the US as a replacement for Guantanamo.". The quote is significant because it indicates the resistance of these professional journalists to going against the version of truth provided by official US sources. One may either assume that the agencies had an understanding with these official sources, or that in the days before the Veitnam build-up and the souring of relations between agencies and official sources, they worked on the principle

that there was no better source than the Pentagon!

This was not the end of the affair. One of the few papers which had used the Nation's release, the York (Pa.) Gazette and Daily, asked the AP to check the Nation's report:

> The AP said the Nation article seemed 'thin' - an adjective which, we think, fairly described any story as it begins to develop from hearsay or second-hand sources..... But when we explained that we were not requesting a rewrite of the Nation article but rather a check in Guatemala, the AP went to work. Within a few days, the AP sent a story which was printed on page 2 of the Gazette and Daily on November 17th, headlined: 'Guatemala President Denies Reports of Anti-Castro Force'. The headline reasonably sums up the story: the AP had interviewed President Ydigoaras of Guatemala and he had 'branded as false' the things the Nation had published.

The President of the Guatemala Republic therefore was considered a more authoritative source, regardless of the possibility of his having strong reasons for not disclosing this kind of information, than reputable American citizens. So authoritative, in fact, that it seems no further checking was thought necessary. Neither the AP nor the New York Times' correspondent who had also interviewed the Guatemalan President, had bothered to interview anyone of the staff of a Guatemalan newspaper, La Hora, which had carried reports favouring the existence of an invasion plan. One reason for AP's reluctance in this case, but not for the New York Times', was that the AP correspondent in Guatemala was a Guatemalan citizen and an AP stringer only, and was therefore rather more vulnerable than an American correspondent would have been to pressure.

Even when the St. Louis Post-Dispatch sent in one of their own men, Richard Dudman, who unearthed considerable grass-roots evidence supporting the invasion story, neither of the two American agencies did further investigation. AP went only as far as a three paragraph summary of a report by Don Dwiggins of the Los Angeles Mirror which indicated that US funds were involved in the airstrip and base construction in Guatemala. Media reluctance to give appropriate coverage to the story continued right up to the invasion itself on April 17th, 1961. A short while after the event, Alan J. Gould, on the occasion of his retirement as general manager of AP was quoted as saying:

> I think the people in Government should have learned a lesson for all time on the handling of the Cuban affair. Occasionally we have witheld stories for a time in the national interest. When the President of the United States calls you in and says this is a matter of vital security, you accept the injunction.

AP' general manager therefore preferred to blame the Government, not the press. Bernstein and Gordon concluded their account rather more critically:

> If the editors of the Miami Herald knew the significance of Retalheu it is safe to say that the AP editors knew too. Yet the AP never budged any part of its massive reportorial staff to get at the truth on behalf of its thousands of clients. Neither the AP nor the UPI, nor the San Francisco papers ever seemed to have tried to follow through the startling remark of that CIA official to a San Francisco Commonwealth Club gathering: "It will be a black day if we are ever found out."

3. Practice: South Vietnam

America's second major post-war disaster was approached in a very different way by its leading agencies, enough to suggest that by now the Cuban lesson had indeed been learnt, if not by the government then by an important sector of the press. The definitive account of the Vietnam War has yet to be written, but it is clear that mistakes were made by the press in their reporting of it, and grave omissions occurred (see for instance Philip Knightley's account in 'The First Casualty')[11]; notwithstanding these, the development of as much press-government antagonism at a time of national and international crisis is a relatively rare event, and an important one that had considerable consequences for the way in which the war was fought.

Agency representation in Saigon in the early 'sixties was slight. AP's bureau consisted of Malcolm Browne; UPI's representative was Neil Sheehan. These were to be identified with that section of the Saigon press corps, then numbering less than twenty persons altogether, whose descriptions of life under the Diem regime pleased neither the US government nor the regime and attracted the criticism not only of the American Establishment, but of part of the press as well. In Saigon agency dispatches were regarded as potentially if not actually subversive:

> When the reporters filed their stories at night, copies were immediately taken to the Palace.

> The next morning, when the incoming AP and UPI wire stories arrived in the country, all dispatches dealing with Vietnam were stamped 'Top Secret' and brought to the palace.[12]

Malcolm Browne's photo of Quang Duc's self-immolation by fire in June 1963 received world-wide attention. Writing about his experience in 1964 he recalled how his Number 2, Peter Arnett, who joined him in 1963, was beaten up by Saigon police, his camera broken, as he tried to photograph a Buddhist demonstration. Charges were pressed against the two newsmen, but President Kennedy successfully intervened on their behalf. Sources tended to dry up on newsmen quickly at that time; if they did not, they ran the risk of fines or prison. Police tailed the agency staffers constantly.[13]

During the Cuban crisis of 1961 the American press, taken in perhaps by its own persistent anti-Castroism, instinctively sided with its own government. But in Vietnam the repressive character of the Diem regime was perceived for what it was by the American reporters based there, and they placed this perception side-by-side with the equally evident US support of the Diem regime. This parallel description of events created a distrust of US official sources which lasted with fluctuating significance, throughout the war. The perception of the contradiction between the US stated objective to preserve the 'freedom' of the Vietnamese and the actual repression of the people under Diem was nourished by a real fear for personal safety, and the consequent appreciation of the need for unusually courageous reporting:

Arnett, in his own account of events in these early years, quoted from a guide which Browne had written as an introduction to reporting in Saigon at the time. In this he said that news-gathering in Vietnam required, at times, methods uncomfortably close to those used by professional intelligence units. The Vietnam government, Browne claimed, hated correspondents. Moreover, Browne was intensely aware of the involuntary political significance of foreign correspondents and in his opinion "It is quite possible that the Ngo Dinh Diem regime would have survived a lot longer than it did against the Buddhist insurrection, but for the role of the foreign press. Involuntarily, foreign correspondents become potent political tools - a role the dictates of our profession strictly proscribe."[14]. The intensity of press-source antagonism between the American press and the American government, meanwhile, was serious enough to affect the way in which Washington thought about the war. Young press correspondents now met with, perhaps for the first time, flagrant non-co-operation and dishonesty from US officials. Browne gives as an example an occasion in May 1962 when the Vietcong released two army prisoners. An army statement, however, claimed that a Vietcong camp had been overcome and the prisoners 'liberated'.[15]

In January 1963, Neil Sheehan of UPI and David Halberstam of the New York Times reported the battle of Ap Bac as a debacle for the US, while the US Command described it as a victory. From this point, wrote Stanley Karnow,

"...the underminings of the journalistic reputations of the Saigon press corps had begun".[16] Sheehan and Halberstam had sourced their reports to local American military advisers. Shortly afterwards a US Embassy official characterized US newsmen as inexperienced, unsophisticated, and malicious individuals whose "irresponsible, sensationalized and astigmatic reporting" had damaged the US interests in Vietnam. Memos from Washington urged restrictive policies towards the press. One from Deputy Assistant Secretary of State for Public Affairs, Carl Rowan, advised that "newsmen should not be exposed to military activities that are likely to result in undesirable stories". The USIA chief in Vietnam, John Mecklin, had to report to President Kennedy that relationships with the press had become more important a matter for attention than security. Kennedy told his press secretary, Pierre Salinger, to tell Saigon officials "to take reporters into your confidence". No real change occurred however until Ambassador Nolting was replaced by Henry Cabot Lodge, who was much more favourable towards the press. His arrival did not however prevent a tightening up of US military restrictions.

Not only was there a dearth of correspondents initially but also a shortage of correspondents who were prepared to do the dirty work of reporting the war from the field; yet this was a war where real knowledge of progress could come only from the field, and not from the statistics and salesmanship of Washington and Saigon official sources. The agencies, charged with covering the day-to-day

developments, of necessity did this dirty work. James McCartney, writing in 1968, praised those reporters who 'cut through the morass to report in some kind of perspective' and mentioned Peter Arnett of AP as one who managed to convey the futility of using sophisticated equipment against jungles and mud', while 'UPI reporters wrote brilliantly on the occasion of non-battles, of the senseless destruction of towns in order to save them'.[17] But in Washington too some of the major investigative reporting was initiated by the agencies. Don Stillman gave credit to AP for its investigation of the Tonkin affair:

> The first real breakthrough came in July 1967 when Associated Press sent a special assignment team headed by Harry Rosenthal and Tom Stewart to interview some three dozen crew members. Their superb 5,000 word account was the first real enterprise reporting on the Tonkin affair... AP revealed for the first time that the Maddox was carrying intelligence equipment, and also cited for the first time that the Maddox had not fired any warning shots, as claimed by Secretary McNamara, but had shot to kill instead. The crew interviews indicated that there was a great confusion on board the two ships during the incident.[18]

On the ground it was mainly the agencies and television which followed the troops into combat: the agencies because it was their job to provide comprehensive coverage of the daily shifts of war; the television crews because they needed good visual material.

> Of the newspapermen and magazine correspondents in fact, except for a couple of people like Peter Arnett and Henri Huet of the AP, and David Greenway of Time and Dana Stone of UPI, virtually none are doing the combat work that television is now doing on a routine basis (a seemingly routine basis anyway).[19]

Although required to follow field action perhaps more closely than newspaper journalists, the agency correspondents were more restricted in the time they could spend in the field at any one go and in the amount of interpretation they could indulge in. This was especially true of the European agencies, since they did not have the same number of men as the US agencies. On the other hand, because they were not so committed to meeting the needs of the US media market they were less under pressure to look at the military situation from the 'soldier's home town' point of view. US agency men were limited by the need for rapid communication of news to the Saigon desk. They were normally expected to return to the office at the end of the day; out in the field they had to stay close to telephone facilities. Generally they would use the local PTT if possible, since the military (ARVN) phone was bad and the call had to pass through a number of exchanges on the way to Saigon. This need to remain in close contact with the office and to return to it at the end of each day was occasioned in the first place by the nature of the news agency business, and the perceived need to keep dispatches flowing, and secondly, the unpredictability of the situation, the possibility of new developments, made it important that the maximum number of men were available for fresh assignments. These requirements were to some extent the unfortunate consequence of the agencies' attempt to appease the editors of client media who 'got round to thinking that they should have a Vietnamese story every day regardless of actual developments'

This tied reporters to a daily file, near to a telephone if not a desk, and also created undue pressure on the correpsondents to think up new angles and stories at the risk of inaccuracies or distortions.

Photographers were under rather less pressure of this kind. But even if they were not returning to the office on the same day as going out on a field-trip, they were generally obliged to ensure that film reached the office as soon as possible, or otherwise it would no longer be newsworthy. It was possible to use military planes for shipping purposes. In this event it was necessary to contact the office to let it know that film was being shipped, and to give the specifications of the plane it was being sent by so that someone could meet the plane when it landed. Photographers were unable to use portable radio-transmitters for photo-transmission because the necessary reception equipment, in the absence of clients within Vietnam for the photo service, was not available.

The agencies did bring in 'roving' correspondents who were less tied to the Saigon desks. But these were few in number, and often spent their time helping out on the major stories of the day. Recognizing the limitations imposed on field reporting by desk considerations, most agency respondents placed high value on field experience. A correspondent who had covered Cambodia in the early 'seventies considered field reporting the

only way of correcting statements put out by Phnom Penh. A Saigon correspondent considered it impossible to cover any major army offensive from a desk in Saigon or Phnom Penh, and those who had tried to do so, in his opinion, had done a bad job. There was some decentralization away from Saigon which helped make up for lack of flexibility occasioned by the need to keep the news flowing. AP in early 1973 reported it sent men northwards periodically and that it had stringers around the country. There were hotel rooms booked on a permanent basis in major cities for the use of visiting AP journalists. UPI kept a staffer in the northern region, while AFP had a special correspondent in the north covering Quang Tri and Hue. AP and UPI had stringers in Laos and Cambodia, and AFP had permanent bureaux in these capitals.

The original My Lai story was filed from Hong Kong by AP. The bureau chief there picked it up from Hanoi radio, and surmised by the quantity and quality of facts provided that it was more than a propaganda story. However it was not until the army charged Lt. William Calley Jr. with murder in the deaths of 'an unspecified number of civilians in Vietnam' that the story began to move. This was September 6th, 1969. The local AP man at Fort Benning, Ga., promptly put in a query, but when no further information of interest was forthcoming from the Pentagon, AP left the story as it was. Until, that is, Seymour M. Hersh, a former AP Pentagon reporter,

decided to follow it up, and with the help of funds from the Philip Stern Fund for Investigative Journalism in Washington helped to make it the most important news break of the whole war.[21] Philip Knightley recounts how the My Lai story, once it had been pushed hard enough by Hersh, led to a whole new way of reporting about and commentating on the war: atrocity stories that had so far just passed reporters by, thinking either they were so normal in war as not to merit attention or for fear of recrimination, not to mention the possibility that many reporters in Saigon were inevitably caught up in the general corruption - now such stories became commonplace.[22] Hersh had never been to Vietnam.

Of investigative reporting as such, there was very little in Vietnam itself. The kind of reporting which won the praise and drew the criticism of those against and for the war was mostly, in the case of the agencies, the same kind of 'objective' reporting which generally distinguishes the agency journalist from the newspaper columnist. What the agency journalists did was to report a number of stories the very existence of which upset the US or South Vietnamese sources. Almost against their will, the agencies, along with the prestige press, became contro-versial.

The manner of reporting the war raised an important question which is central to any consideration of how the global flow of news can be confidently left, as far as the non-

communist world is concerned, in the hands largely of four organizations based in three countries. This is to do with the problem of reporting on the activities of two combatants when one's news organization of necessity is identified with the interests of one of the combatants. Given that coverage of one side is therefore limited, what consequences does this have for the way in which the other side, the more accessible side (supposedly) is covered?

Identification of the world-wide agencies with the interests of their base countries has its most restrictive consequences in time of war, and especially in wars where one of the base countries is clearly allied with one of the contending forces. This has happened wherever the agencies have covered wars that also relate to the division between the capitalist and the communist countries. Divisions of this kind make it almost impossible for agency journalism to fulfil one of the accepted norms of western journalism that in coverage of a conflict situation the agency should cover all sides to the dispute. Where meaningful access is denied to any one of the contending forces then the norm is not fulfilled - the will to impartiality may be present, but its realization is impossible. There are of course nearly always some sources of news concerning each side. So for instance a newspaper can decide to take not only AP world news service for its information about Vietnam, but also the report of the New China News Agency or even the North Vietnamese news agency.

However, no one of these agencies has or did have access to sources on all sides of the dispute. Therefore there was no source who could claim to have self-generated information that would enable it to make a meaningful selection of all reports according to the rules imposed by impartiality. There may be exceptions to this state of affairs at moments during the course of a dispute, but the general condition is one of imbalanced access.

During the Vietnamese war, the four main western agencies were represented in Saigon, Washington and Moscow. Only two were represented in Peking: these were the European agencies, and for a while, in the late 'sixties, Reuters lost its accreditation. Only one agency was represented in Hanoi. There was therefore some western representation in each of the major capitals implicated: the US agency representation was the most limited, and even where the western agencies had access to Peking or Hanoi its usefulness was severely limited in practice.

Only one agency had representation in all the relevant capitals - this was AFP. The limited usefulness of this representation was described in interview by a respondent who had spent two years in Hanoi before the end of direct US involvement in the war, working for AFP. Everything he wrote had to be vetted by the Foreign Ministry before release. Limited communication facilities made it impossible for him to receive the service of his own agency, though he did have several contacts a day

with Hong Kong and Paris and could listen to foreign radio stations. His sources were very restricted. He would typically spend his morning reading the Hanoi press, using its stories for his own use, or for checking his own stories. He could not contact officials except through the Ministry of Information: success in obtaining interviews varied a great deal. In the afternoon he would often contact embassy sources or, during the periods of bombing, he would write stories that focused on the extent and the kind of physical damage, maybe indicating its emotional impact from conversations with people at the market. Travel outside Hanoi was allowed only if specific permission and a pass was granted; then, accompanied by an interpreter and a driver provided by the Ministry of Information he would have to aim for a specific destination, and on his arrival there would be placed in the charge of a local press attache. His wife, who was Vietnamese, had much more freedom of travel than he did, and this helped compensate to some extent.

The information he gathered did not greatly add to the outside world's specific picture of the nature, structure and strategies of North Vietnamese society in this time of war. Nevertheless, he was <u>there</u>, so that if sudden changes in accessibility did occur, or any very major development not otherwise visible, he was in a position to profit by it. He was also well placed to write 'atmosphere' stories, stories which might not have added

much in the way of hard news, but which could not have been written from anywhere else, and filled one gap in the kinds of information available about the North Vietnamese side: information concerning human feelings about and reactions to the war.

The correspondent 'on the spot' is able to write about the contents of shop-windows, the way people dress, how they look, what seem to be their most pressing worries. Such details may be revealing, and do reflect a political reality. In the words of another AFP respondent, "the fewer sources you have, the more important it is to be on the spot".

In Peking, as in Hanoi, one of the most important sources of information was the diplomatic community. Contacting the diplomatic corps, given the Chinese propensity to play one side off against another, could lead to certain insights not otherwise possible. There were Communist sources here which were not only more accessible but also more talkative, such as the Cuban Embassy and the representatives of the Cuban news agency Prensa Latina, the North Vietnamese Embassy and Prince Sihanouk, the exiled prince of Cambodia. There were also western diplomats with access to communist sources, including the North Vietnamese, and these were sometimes able to pass on information. Approaches to the Chinese government, however, had to be established through the Foreign Ministry, and these were generally difficult to achieve.

There were no press conferences as such, and Chinese officials were not forthcoming with explanations for events. Banquets were important news-gathering events, but resident correspondents often found themselves at a disadvantage by comparison with visiting journalists in the matter of seating arrangements. Thus the visiting journalist, who was less able to exploit the situation, was more likely to find himself seated next to an important dignitary.

But in this period, the early 'seventies, conditions were considerably brighter for the journalist community than they had been in the mid to late 'sixties during the 'Cultural Revolution'; in this earlier period Hong Kong was the major source of news of developments in China.

Possibly the information gained through representation in Peking and Hanoi was not substantially greater than that obtained by the agencies which had no such representation. Naturally, those agencies which <u>did</u> have access to these countries tended to argue that such representation was very important, if only because this was a good line to push in sales-talk with clients. Behind such representation lay the usual contingency strategy - an acknowledgement that even if the immediate gains were not considerable, an unexpected crisis or development might suddenly repay the cost of representation with interest, simply through the advantage that accrues

to a journalist who is at the right place at the right time.

In Saigon of course contact with Communist sources was especially difficult. A Reuters correspondent in Saigon between 1966-8 recalled that his only contact with the North Vietnamese or Vietcong was through the press releases which they placed in a postbox on the agency's back door, put there especially for such deliveries. This arrangement lasted only for so long as Saigon was 'safe' for the Vietcong to operate. An AFP respondent claimed that before the cease-fire in 1973 there was no communication with the Vietcong except in Paris. To have attempted such contact in his opinion would not only have been suicidal, it would also have been illegal and a threat to the continued survival of his bureau. A colleague claimed that he in fact had had contact with the Vietcong during the 1968 offensive, but felt unable to use his source without putting the bureau and himself at too great a risk. US agency reporters had much the same experience. "Before the ceasefire", said one picture-editor, "we didn't try to make contact with the communists. Freelancers were always coming in and making suggestions as to how we could do it. But none of these schemes was successful". An ex-AP bureau chief in Saigon felt the effort of establishing communication channels with the Vietcong had never been worth the certain reprisals that would have followed. He did however add it was sometimes

possible to contact Vietcong sympathizers in Saigon, and also that it was possible to locate Vietcong spokesmen in Cambodia. Access in Cambodia was also mentioned by an AFP respondent who had had contact with the Phnom Penh office of the Liberation Front in 1968; this office closed in 1970 after the coup d'etat which overthrew Sihanouk. Reluctance of agency staffers to make contacts in Saigon was based not only on caution but also on economic good sense: the lives of staffers are well insured, but insurance premiums are high. They get higher the more journalists get killed. It is cheaper to let stringers or volunteers, who tended to collect in Saigon, take the risks. This was especially true of photo-journalism. The stringers did not have to be insured. Not that staffers were short on heroism - but certain risks bordered on the suicidal.

The problem of contacting communist sources continued even into the post-ceasefire period in 1973. Communist delegates to the Joint Military Commission were carefully guarded by South Vietnamese police. These delegates organized a reception for the press, but access was denied not only to members of the press corps but also to the diplomatic community. Some journalists however obtained a phone number of the delegates' building; this was on a military line, and only occasionally did a call succeed in getting through. The South Vietnamese government greatly feared that the press would over-glamourize the communists; one agency journalist tried to persuade

officials that once the press had got over the novelty of having communist sources it would be as critical of the Vietcong as it had been of the South Vietnamese. But the argument was unsuccessful. The military did not like it when agency reporters tried to make contact with communists in the field in the ceasefire period, and would not provide any help at all for this purpose. Through unofficial contacts it was possible to get through to An Loc, held by the communists, though the road was in a very poor state. The South Vietnamese did provide helicopters to fly pressmen to the sites of POW releases, but in at least one instance the US helicopter pilots refused to take the pressmen on board, arguing that arrangements for witness of POW releases had been made only for Clark Air Base (in the Philippines, where US POW's were flown en route back to North America).

A number of contacts with communists were made, despite official discouragement, chiefly by photographers. These worked for the agencies mainly on a freelance basis, paid per photo. Fees were generous at first, but soon returned to the standard fifteen dollars a picture. The subject matter of the new photos could have had only a short life: the pictures of Vietcong villages did not look much different from the pictures of government villages, except for the different flags. Villagers from both sides had an annoying habit of posing specially for the press. Of the journalists who made communist contacts a number became very vulnerable to government anti-press sentiment and were to have their visas with-

drawn or in any other ways harassed. Such contacts were in any case physically hazardous. Under the cease-fire agreement it was permitted to raise the Vietcong flag but when the government saw a Vietcong flag it chose to interpret this to mean that the Vietcong had infiltrated the village after the ceasefire, and thus in violation of the agreement.

There was heavy dependence therefore on US and South Vietnamese sources in coverage of the war. Such one-sided dependence can lead to over-identification with the accessible source or to an excessively negative reaction against the source. Both these reactions appear to have occurred. Some reports indicated that some correspondents had over-reacted to the 'need to be tough'. A Reuters respondent remembered a time when American agency reporters tended to go out looking for anti-American stories, and in his opinion it was fear of imbalanced coverage that led AP to move in older correspondents to help restore the balance. A general feeling existed amongst the European agency journalists that they were less emotionally involved in the war and its consequences than the US press teams, and less prone to take sides for or against US sources. They felt that by contrast to the US agencies they tended to view the story less as a US affair, more as an Asian one. This view of emotional independence was taken by Philip Knightley when he wrote that 'British correspondents were better placed to write about Vietnam than were their

American colleagues - just as, later, Americans were better placed to write the truth about Northern Ireland'.[23] It is an appealing argument, but in terms of how accurate the competing agencies were, a dangerous one, for the fact was that however problematic the relationship between journalist and source, the US journalists were ultimately far better off in terms of contacts and sources on the US side. They also had many more men.

In certain areas it is clear that over-dependence on the US and South Vietnamese sources, necessitated by difficulties of access to communist sources, generated its own cynicism. For instance, there was little faith in casualty or similar statistics that emanated from either US or South Vietnamese sources. Correspondents devised rules of thumb for assessing the accuracy of such information. If five men were reported to have been killed in an engagement on the ARVN side, the real figure was likely to be forty; losses of the enemy when reported by the ARVN were reduced by one and a half times, and ARVN's claimed losses were multiplied by half, and so on. The impact of US air losses was carefully under-estimated by official sources through a number of tech-niques: air losses could be disclosed over time rather than immediately they happened, thus softening the blow to pride; an aircraft that had been badly shot up, its crew seriously wounded, but which had limped back to base, would not be reported as a loss; a helicopter which was damaged but repairable was not reported - this rule could

be stretched to the point of not reporting an air disaster as a loss so long as the tail-wing number was still visible. Official figures could be sometimes corrected with the help of unofficial estimates offered by contacts within the ranks: so for instance in the Winter of 1971 one agency calculated a total of 240 air losses against an official figure of 98. US sources were generally thought more reliable than ARVN sources; the US after all had more men engaged in this kind of work, a whole regiment for the determination of body identification.

The sheer complexity of military operations on the ground exacerbated the problems of dependence on sources, and made it easier for these sources to maintain secrecy. A Reuters respondent described this situation in reference to the time of the Tet offensive in 1968 when the war was at its peak as a ground war: "At any given time the bureau aimed to have the maximum number of people in the field. The US sources were extremely accessible, every transport facility was offered, and there was no censorship. Nevertheless, there was a good deal of concealment prior to military actions, and since at times there were as many as five or six major actions a day, this made adequate field reportage difficult. There were no barriers to access to soldiers, although the authorities at times could refuse transportation to certain areas.".

The change of the war from being a ground to mainly being an air war meant that there were fewer sources

available, and these sources were less visible, less dispersed and more tightly controlled from above. As troop withdrawals progressed, the opportunity for co-operation between press and army was reduced. This affected agency correspondents more than it affected newspapermen since the agencies had to provide a day-by-day account of changes in the military situation. Newspapermen on the other hand could depend on the agency accounts, and concentrate on the overall military and political situation. The television crewman and the photographer however were affected the same way the agencies were, since they needed action pictures to help sell the Vietnamese story at a time its importance for the western media was declining. Of the forty-five journalists killed in the Indochina war up to January 1973, eleven were western agency men.

The Spring Offensive of 1972 when the North Vietnamese adopted classic invasion tactics in contrast to the guerilla campaign of the 1968 Tet Offensive revealed the extent of the changes that had occurred in the reporting situation. More than ever the press was obliged to provide its own transportation, under conditions of intense and prolonged artillery fire. A UPI respondent explained why it was the US forces could not have been more co-operative than they were: the facilities were simply not available; the proportion of air-power in actual military use was higher than in previous confront-ations of similar magnitude. The reduction of US air

bases and helicopter units naturally caused much of this pressure on air transport availability; the introduction of new weapons by the communists increased this pressure - the SA7 Stella missile changed the nature of air war by making it necessary for helicopters to fly at much higher altitudes than before, thus reducing their efficiency; the new anti-tank missile, AT3, had the same kind of effect on the ground, making close proximity to communist forces very difficult. The availability of ground vehicles was very uneven and where they were available they were least needed - in Da Nang for example when the fighting was north of Hue. Apart from the limitations imposed by reduced facilities, there were few US policy curbs on press activity. The reporter was technically fairly free to go wherever he wished, but the risks were great. There was no longer any advance information about the movement of military bases, so that frequently reporters found themselves driving into unfriendly territory which on the basis of out-of-date information they had assumed to be friendly.

From 1970 and the invasion of Cambodia the role and importance of the ARVN grew considerably. There was overwhelming agreement among the agency journalists that the ARVN presented more problems of coverage than the US military. Up until the 1972 offensive there was an overall dependence on official communiques for news of ARVN activity. The good provision of facilities and opportunities (if not accurate information) to which

the press corps had been accustomed under the US lead were no longer to be had. Travel out into the field with the ARVN was not so easy to arrange and was largely a matter of the personal whim of local field commanders. When journalists did get out, it was considerably more dangerous than it had been: the correspondents had to make their own way, without help of transportation, which was not available for non-military use. Yet it was still possible for agency journalists to maintain contacts with top-ranking ARVN officers who, though loyal, were willing to talk quite frankly and intelligently about the military situation even if from a pro-government angle. Officially no ARVN soldier was allowed to talk with foreign news agency personnel, but of course many of them did.

The conditions which obtained for journalists in South Vietnam after 1970 as far as sourcing was concerned, were similar to those which existed in Laos and Cambodia, but with rather more protection. There were many fewer press men in Phnom Penh or Vientiane than in Saigon. The agencies tended to cover Cambodia with one-man bureaux or with stringers and Vientiane was generally a matter for the stringer, with occasional visits from Bangkok-based reporters. The Indochina war tended to be seen by agencies and western press generally as a Vietnamese story essentially, although the war in Laos and Cambodia was a good deal more complicated. There were many more identifiable and some less identifiable factions; the role of the US was at the time far less clear, less visible than in South

Vietnam, and US air action well guarded from press inquiries. Considered less legitimate here than in Saigon by his sources, the journalist was especially vulnerable. There were exceptionally heavy casualities in Cambodia in 1970: eleven journalists captured and later released, eighteen still missing at the end of 1972 and nine known to have been killed.

The real cause of press resentment and anger about the problem of sources in South Vietnam, however, was always the attitude of the US. Problems with South Vietnamese, and of course any of the Indochinese communist groups, were to be expected. Where the US was concerned, it was more a question of betrayal. The feelings aroused were complicated, because the US was also the beneficient provider of many of the things which made the war a tolerable one to report and the presence of the US in Saigon in many respects helped make that city a particularly exciting place to be, if not a more beautiful and calmer place, from the point of view (only) of the visiting foreigner and the locals who directly profited from this presence.

The attitude of US official sources of course affected most of the press indiscriminately, and there is no place here to chronicle the development and the shifts in the relationship between US and press sources. The agencies, being a substantial part of the total press corps, were of course fundamentally affected by the problems of this

relationship. This grew more problematic as time went on. Malcolm M. Browne was quoted as saying at one point: 'The main difference between then and now is that then they tried to persuade us. Now they don't bother. They just freeze us out".[24] The major period of deterioration in the second half of the war began soon after the Tet offensive. A UPI report that year referred to attempts by the Military Command's information office (MACOI) to suppress release of news by use of lies; its refusal to comment on news with explanatory material; its refusal to answer legitimate questions. Some information was released only in answer to specific query (which required prior knowledge). Press Information Officers at division level had to clear with MACOI before talking to the press and this could take several days. Newsmen no longer had access to intelligence officers qualified to brief on the nationwide military situation. These difficulties were to last into the 'seventies and to the end of the war. In 1971 the Foreign Correspondents Association criticized MACOI for refusing to release information already available in Washington, for barring correspondents from access to key news sources, refusing to provide background information on current military developments, monitoring newsmen's interviews with soldiers and for refusing to review its stringent policy on providing information of a general character.

A dispatch dated January 20th, 1972, related that "US Command admitted Wednesday it won't talk about America's

growing Indochina involvement outside Vietnam for political rather than military reasons, and this brought into focus an increasingly bitter dispute between newsmen and military here". Once again the observation was made that access to information, even about events happening in South Vietnam, was better for Washington than for Saigon correspondents. "Newsmen are not about to let the Administration get away with selling an escalation of the war as a de-escalation and a worsening military position as an improving one without somehow trying to say what the truth is behind the jargon." During the bombing of Hanoi and Haiphong at the end of that year an AP dispatch reported that "Pentagon officials say details of the new American bombing should be reported from Saigon, but in Saigon the US Command has limited its information to periodic summaries giving only vague details of the air strikes". Later US sources were seen to have closed up altogether, and remained in total silence until December 31st. But relations never resumed their previous level despite frequent protests. Nor did the February ceasefire improve matters. Ultimately of course it did not make any difference: two years later the North Vietnamese and the Vietcong won a sweeping victory down the east coast and over Saigon. Perhaps greater access and understanding with the communists in 1973 would have paid off for the west; and had the US been readier to listen to the doubts of its own press representatives, the bombing of Hanoi and Haiphong need never have occurred.[25]

In the interviews conducted with agency correspondents in 1973 just after the ceasefire, a number of overall assessments of agency coverage of the Vietnamese War were offered, and while these may have been premature; given the final outcome of events, they are valuable as assessments given within an on-going situation rather than given with the benefit of total hindsight. One signif-icant admission that many made, albeit an obvious one, was that there had been insufficient coverage of the Communist side. One AP respondent, a photographer, felt that Americans had been overcovered at the expense of the communists and the South Vietnamese. He did not feel much could have been done about the communists, but had more attention been paid to the South Vietnamese and the ARVN during the period of 'Vietnamization' of the war, access to military sources might have improved. Several others felt that the attention given the American involve-ment had been at the expense of the Indochina situation as a whole. One UPI respondent was exceptional in feeling that coverage of the communist side was not as difficult as many others tended to make out. Thus it seems two factors impeded good coverage: the sheer physical and political difficulty of access to communist sources, and the over-Americanization of the reporting of the war which tended to compound this difficulty of access. An AP respondent felt that no US newspaperman had succeeded in understanding the 'Vietnamese mind', that the two races, American and Vietnamese, were basically

incompatible. A certain westernization of thought led journalists to oversimplify matters: in covering Cambodia, as one UPI journalist said, there was a tendency to interpret the situation as a matter of sides and two-power politics, whereas in fact it was much more akin to a feudal warlord situation. In short the western correspondents, according to an AFP reporter, had only one half of the equation - the other half was always a surprise.

The agencies were criticized also for failing to grasp the significance of events, and did not always adjust their priorities to match changes in the situation. An AFP respondent argued that the US agencies had missed the significance of the Tet Offensive in 1968 for the South Vietnamese, for whom it had in fact been something of a military and psychological victory and a subsequent though not enduring source of support for the Thieu regime. Had the agencies interpreted Tet 1968 in this light, they might have taken Vietnamization more seriously, and given rather more attention to internal South Vietnamese politics. The US media, according to the account, were slow to see in the South Vietnamese the real capacity for aggression in war, and now (in 1973) they were still surprised at the evidence - the survival of Theiu up to and beyond the ceasefire and the readiness of the South Vietnamese to violate the ceasefire, possibly as much as the Vietcong, perhaps more. Part of the media's reluctance to accept this view followed from its assumption

of the earlier prejudice of the US Army towards the ARVN, prejudice generally expressed towards all Vietnamese at My Lai. Because the media, agencies included, were not oriented to thinking about South Vietnamese politics as a phenomenon in its own right, they continued to miss the significance of internal developments. The 1971 elections, for instance, were examined from the point of view of whether or not they were democratic. This was a somewhat ridiculous view to take, since the real opposition, the Vietcong, were not in the game in any case. The essential point which the US media did not treat with the significance it deserved was that the peasants even in contested areas and within the limits of their understanding of politics and political constraints, were voting for Thieu.

While the analysis of this respondent may now seem dated in the light of actual events, it did reflect some considerable agreement amongst other agency journalists about the media's 'failure' to find a way of bringing South Vietnamese politics (and for that matter, culture and history) into the war story, and explaining the contest in terms other than a straightforward 'US - Commie' fight. Another popular simplification of reporting was to reduce each battle to terms of 'will they take the city or not?'. A UPI respondent felt this kind of coverage of Phnom Pehn in 1972 was inappropriate, since a great deal of evidence suggested that the communists were not then interested

in taking the city. But in concentrating their attention on a strategy that was not known definitely to exist, the media omitted a number of other issues of political significance in the country. At a lower level of significance, it was argued by another UPI respondent that the real meaning of events in combat was sometimes, if not often, missed by the agencies, who were dependent for much of their information on official combat communiques from the South Vietnamese or US forces. These communiques never attempted to evaluate the rationale of army actions. For instance, in the summer of 1972 the US army was trying to hit a water tower used as an observation post by the North Vietnamese near Quang Tri city. Without Success. The water tower had been built by the US in 1966 and now it stood in the way of the recapture of Quang Tri from the North Vietnamese. It was eventually knocked down ten days before the city was taken - and it was the destruction of the tower that allowed the city to be taken. The first communique issued about the tower said nothing of its significance however; the respondent was fortunate enough to have followed the story closely and was able to use his information for a scoop story.

The agencies made some mention of each other. It was said that AP had an important advantage over UPI in that its coverage of the war from Washington was stronger and more aggressive, this arising from the fact that AP was more centralized and more tightly controlled from the

top than UPI. AP was also said to have had an advantage in greater continuity of staff. AFP was given credit for its political coverage of the war, particularly of South Vietnamese politics. From AFP in turn there was praise for the speed and exhaustiveness of reporting of the US agencies.

Some newspaper correspondents in Saigon compared their own coverage of the war with that of the agencies. The New York Times claimed it had a strength on the ground that could compete with the US agencies: his bureau was five staffers strong at the beginning of 1973, by comparison with AP's six reporters and photographers, UPI's six reporters and six photographers, Reuters' five reporters and AFP's five reporters. Each of the agencies however had several Vietnamese 'support' staff for whom agency work might be a second job (some of these turned out in 1975 to be Vietcong agents). In certain respects the New York Times' inevitably differed from the agencies in its coverage, not just in the treatment of news, which was obvious, but in strategy: for example, during the 1972 Spring Offensive there were basically three stories, each associated with three key highways. Whereas the agencies kept men full-time in each of the three areas for three months, the New York Times moved its men around more since they could fall back on the agencies. Although the Times did try to duplicate the agencies and go beyond them it appreciated this objective was in some respects unrealistic. A Los Angeles Times

reporter, speaking as one of a two-man bureau, agreed that the agencies concentrated less on evaluation as one would expect; but he felt they tended to be too comprehensive - they reached saturation point before they had time or resources left to look at the meaning of things. Nor were they helped by the shortage of men available for this kind of editorial work. The agencies had too few perspectives. Daily round-ups on the war focused on the most dramatic event, or the event most amenable to being made dramatic. New York gave too little direction, which is what newsmen in the field often need most of all - "someone to fill in the blanks, who can see the wood". This respondent had been in charge of an agency bureau in Saigon earlier in the war and his criticisms were therefore extremely pertinent. A Washington Post reporter, finally, also of a two-man bureau, said simply that his paper did not try to duplicate the agencies, except on the most important stories. He did not concern himself with the details of combat, his task was to define the overall picture.

In this concluding section of the chapter therefore, we have seen how the four world-wide western-based agencies are limited in their coverage of conflict situations which involve the countries in which these agencies themselves are based. Even where there is access to the capital cities of the countries involved, the restrictions on movement and general professional activity are often so great as to eliminate any advantage

to be gained. The Indochina war was covered mostly from Saigon and Washington. Access to communist sources was extremely difficult, especially after Tet 1968, and the successive waves of imprisonment of South Vietnam's other dissidents, which made all opposition sources increasingly difficult to tap. Heavy dependence on the US and South Vietnamese sources did not lead to automatic acceptance or over-identification with their side, but may well have contributed to the particularly cynical and hostile press coverage that characterized much of the output from Saigon. This hostility was both cause of and reaction to perceived inadequacies, failures and deceptions for which the sources were thought responsible. It was there at the beginning of the war and fluctuated in its significance in the course of the war. The agencies contributed to this hostility even though they did not engage in a great deal of 'investigative' reporting from Saigon. Their news-gathering role was limited in this respect by the defined need to pursue blow-by-blow accounts of military developments, limited resources, and by desk-centred discipline.

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20. UPI Reporter, Vietnam (1973). Similar quotes in the text are taken from interviews conducted in Vietnam by the author in the Spring of that year.

21. Hersh, Seymour M.: The Story Everyone Ignored; Columbia Journalism Review; (Winter 1969-70). The account of the original story from Hong Kong was obtained in interview with an AP Executive.

22. Knightley, Philip: op. cit.

23. Knightley, Philip: op. cit.

24. Quoted in Schanberg, Sydney S. in the New York Times Magazine for Sunday, November 12th, 1972.

25. This account of source-press relations is taken from a UPI file in Saigon, 1973.

CONCLUSION

The appearance of the 'news agency' as a social institution occurred only as one of several major advances in communication during a peak phase in the history of industrialization. The railway companies had earlier permitted greater flexibility in the relationship between raw materials, factories, manufactured goods and consumers: they made distance less of an obstacle to the coherence of this new system. The news agencies performed a similar infrastructural function. Like the railways their business was conveyance. The raw material in this case was the system's informational lubricant - reports of political and economic events, the intelligence which interest groups needed to have in order to exploit the fortunes and misfortunes of other interest groups or to avoid being exploited by them. The systematic collection and distribution of such intelligence was an integrative contribution to the industrial order, one that gave high visibility to the issues and crises of the day, and in doing so consolidated, as it were, the rules of the game that was capitalism.

As a function of industrialization, the news agencies appeared in the world's most advanced economic powers, and some were able to retain leading status as agencies even after their own country's economic importance had declined. In those countries where they first appeared

and in others afterwards they served or were thought by some to serve important functions of national and imperial unity: national unity in Germany and America, imperial unity in France and Britain.

Regardless of their actual contribution to the wider society, the news agencies of this study were deeply concerned with money and with how to make it. For after all they were the product of the capitalist order, and it is in terms of this commercial concern that the present study is conceived.

The concern for commercial viability is a useful starting point for an understanding of the various 'strategic choices'[1] by which these institutions guided their course over a century or more, and of their particular market orientation at any given moment of time. Precisely because maximization of profit was greatly restricted both by poor opportunity and by the ethic of service, commercial viability was more rather than less of a problem.

This study has implicitly identified six strategic choices of dominating importance in the history of the agencies. Each of these may be represented in continuum form thus:

1.	Criteria of Objectivity	———	Criteria of Patronage
2.	Competitive Relationship	———	Coalition
3.	Revenue Maximization	———	Revenue Satisficing
4.	Broad Market Orientation	———	Exclusive Market Orientation
5.	Domestic Market	———	Foreign Market
6.	High Level Technology	———	Low Level Technology

The outcome of choice with respect to any of these dimensions was in part determined by existing commitments to strategies on other dimensions, and in part to more general environmental factors; for instance, the state of political alliances, character of the economic climate, the nature of media demand, and the rate of technological innovation.

The choice continuum between criteria of objectivity and criteria of patronage is related to strategies of revenue and market. To choose a justification of 'objectivity' as criterion of news presentation and selection is to some extent a statement about the scope of market for which an agency's service is suited. A service that is 'objective' is theoretically palatable to everyone, and while this need not necessarily be a commercial choice, it does imply some commitment to revenue maximization.

The choice in favour of patronage criteria is similarly

related. In this strategy, norms of news selection and presentation are made subservient to the interests of certain specific groups in society at the expense of others. The advantage to the agency in choosing such a strategy is the promise of higher revenue maximization, and also perhaps, greater security of revenue - if a patron is considered a surer bet than the open market. But the strategy may also be related to that of a broad market orientation, a choice in other words in favour of providing services to new kinds of clientele where the kinds of service they require calls into question the objectivity of the fundamental selection and presentation machinery.

Choice in favour of patronage is not necessarily voluntary. One of the important social consequences of news agency work is its integrative role in national political consolidation. This function has many times been promoted by political parties who either sought such consolidation or wanted to retain their own particular brand of it after it had been attained. In some instances the agencies have recognized the attribute as a natural advantage and exploited it intentionally, whereas in others they had no choice and their offices were subsumed under the authority of government.

Objectivity criteria dominated the strategy of the European agencies in their earliest years, although of course the social interests reflected in the news

selection and presentation were in reality limited by the extent of media penetration of the period. But the idea of equal treatment to existing clients and client groups prevailed. Time eroded the principle in Britain, France and Germany. In Germany political patronage asserted itself quickly and left little option to that country's leading agency. In France the agency to some considerable extent chose for itself a high level of both political and commercial patronage; and in Britain the principle of limited political patronage won ground as an express solution to the agency's financial problems from the period preceding the First World War. Political and commercial patronage became increasingly insupportable in the period following World War Two in all three countries. This reflected the more widespread establishment in practice of principles of social democracy and a changing temper in media culture, hence of media client demand. Concern for financial viability has nevertheless prevented the elimination of patronage, which still exists in all cases to some extent, most notably in France where considerable state funds still support the national agency's continued existence. In other respects the limitations on finance that follow upon the first strategic choice in favour of an operation based on principles of objectivity are compensated for by choice in other strategic directions. But it has to be remembered that the choice in favour of objectivity criteria is a choice in favour of continued existence as a news agency, indeed in support of the social institution

itself. For without this kind of commitment a new animal emerges whose links with the media industry may, though not necessarily, become increasingly tenuous. In the communist countries of course there is a clear commitment to political patronage even though the media link remains very strong. But these have not been the main focus of the study.

The choice alternatives between objectivity and patronage criteria were closely linked, in the American case, with the alternatives between competitive and coalition strategies. Although objectivity criteria were more in evidence in America than in Europe, partly reflecting the greater class penetration of American media by the middle of the nineteenth century, the influence of patronage criteria was higher in the early days of the American agencies than later on. This in part was due to the outcome of a period of great fluctuation along the competition-coalition dimension in the relationships maintained between the American agencies, during which the coalition dimension was found to be largely inadequate as a source of protection or success, failing as it did to satisfy many of the conflicting client requirements. So that ultimately an overall competitive strategy was to prevail. This did not prevent a period of vertical coalition as it were between the agencies and selective clientele groups, expressed for example in exclusivity agreements. But since these too failed to meet dominant service criteria of clients the extent of such vertical

coalition was later subject to severe restriction.

In the European sphere on the other hand an initial competitive strategy was followed extremely quickly by coalition strategies. The European agencies were more heavily engaged in foreign news-gathering at first than the American and had less wealthy domestic markets behind them. Thus coalition was a product of commercial concern, and its shape reflected the balance of general political power, which facilitated close links between agencies of great powers with shared interest or investments and between these agencies and the agencies of colonial countries. Because the political system was one of exploitation and inequality and generated its own destruction, so too did the agency coalition system give rise to dissatisfactions which led to the breakdown of the system, but with remnants of cultural and political affiliation surviving into the present period.

History reveals two dominant coalition strategies: coalition between rival agencies; coalition between agencies and one or more of their client groups. The latter form of coalition however actually creates the conditions in which the first becomes necessary. When an agency enters into a coalition arrangement with clients it is in order to set up a monopoly situation whereby the access of rival agencies into the market is restricted. The rival agency is thus shut off from the market and may no longer have sufficient financial

incentive to cover that market thoroughly. Yet it will need news of it to feed to its own clients. At home it will in all likelihood have established similar monopoly conditions so that the simplest way out of the impasse is a mutual exchange agreement with implicit support for each agency's monopoly. Coalition agreements of this second type, namely, between agencies and their clients, are sometimes expressions of one choice in the strategy continuum first discussed above, the adoption of patronage criteria. This occurs when a coalition arrangement between, say, an agency and the political authorities of its own country, effectively excludes other agencies from the news-gathering machinery, and thus creates market advantages equivalent to a monopoly situation and necessitating exchange agreements.

The choice of revenue maximization or revenue satisficing shows fairly high consistency with other choices. It is a difficult strategy to establish, since it exists in part in the minds of men, expressed in sometimes contradictory ways. Although adoption of criteria of patronage is sometimes motivated by thoughts of revenue possibilities, it is often the case that such affiliations produce a sense of security and hierarchy in the agency such that its main responsibility is not to itself but to some other authority. This is of course especially possible in the case of an agency which recognizes the right of a political authority to restrict its area of reportage. In these circumstances an agency may become

very conservative in outlook, unmindful of new revenue possibilities produced by market changes. Another related factor has sometimes been the monopoly situation that arises out of patronage strategies, and which has a similarly dulling effect. The competition between the American agencies has certainly served to keep both on the alert to market possibilities, although there have been periods when one or other has held back: in the period for example when the agencies were still to some extent subservient to the interests of certain client groups, loyalty to the newspaper market hindered the growth of services to the radio market. The effect of competition between the American agencies undoubtedly stimulated their development of foreign markets, and this in turn upset or contributed to the demise of coalition strategies in the European sphere and of the prevalence of patronage criteria, stirring up in general its own competitive response from the European agencies. In the period following the Second World War a spirit of revenue maximization, within the limits established by strategic choice in favour of criteria of objectivity and accompanying choice in the direction of a competitive strategy, has prevailed. But less so in France where the effect of State subsidy has cushioned the managers of the French agency from the full brunt of economic necessity and in some ways perhaps limited the development of certain of the servies.

An orientation towards foreign or home markets may not

seem to have been a matter of choice; but what matters here is not necessarily the dominance of one or other as a source of revenue, but the importance attributed to one or other in terms of the balance of resources. This was the focus of discussion in Chapter One which examined the generally imbalanced distribution of resources in favour of domestic markets, revealed in the facts of agency ownership, control, location of personnel, quality and quantity of services provided, and the relative sophistication of communication technology employed. The most public consequence of this orientation towards the home market has been a very heavy weighting of agency news services in favour of culturally proximate market interests, even in services destined for the Third World.

The European agencies and in latter times, Reuters especially, have always shown a greater interest in foreign markets than the American agencies, and this has been reflected in their balance of resources and the topic-contours of their news services. The orientation of the American agencies was always much more inspired by the competition between them, and by particular demands of media clients in their home market, than seems to have been the case with the European agencies who have more claim to the virtue of having sought out the interests of foreign clients in the services they provided them.

The choice between broad and exclusive market strategies

might seem entirely a product of a prior choice concerning revenue maximization. This is not altogether so, since agencies which did have high revenue outlooks have been known to adopt a conservative attitude towards market possibilities, and to have defined their proper sphere of activity in such a way as to preclude growth in certain directions which appeared legitimate to others. The new markets in question have been new sections of the media market (agencies, evening or morning papers, radio, television, CATV etc.) and non-media markets (advertisers, finance and commerce). The 'costs' of new market development which have sometimes acted as deterrent to entry even to highly revenue-conscious agencies have been: possibility of financial failure, compromise of criteria of objectivity, and loss of established customers.

Inevitably, the agencies have reflected the growing sophistication of the electronics industry in their own adoption of technologies over time. But the choice between low-level and high level technology has been a fairly consistent strategic decision throughout their history. It can be considered as ranking as an essential strategic decision given the scale of costs usually involved and because of the consequences of technological adoption for competitive strength, relative distribution of resources, and internal organization. Important technological landmarks have included the adoption of radio over the early electric telegraph in the First World War period and thereafter, which facilitated an expansion of volume, number of markets served, and increased the propagandistic

potential of the agencies for governments with access to their machinery; the invention of efficient and high-quality wire-photo distribution, which, never exploited to any great extent by the leading European agencies, gave the American agencies a very important market advantage in certain parts of the Third World and may indeed have helped their very rapid expansion in Europe after World War Two; and latterly the exploitation of computer technology with its very important consequences for the expansion of data-based services to non-media markets.

These then appear to be the most important strategic choices identified in the course of this study, and which are common to the four leading agencies of the non-communist world. They are not exclusive of each other, but do move independently of one another for at least some of the time. The purpose of identifying them in this way is heuristic only, giving a sense as it does of the outer contours of institutional self-awareness and the ways in which such awareness, involving some sort of commitment to an image of identity and purpose, has been translated into action.

These strategic choices do show signs of an orientation to rank consistency. That is to say there has been a tendency towards the left-hand margin on each dimension of the continuum, so that a certain consonance is apparent across the whole range. Adoption of objectivity criteria in recent years appears to have gone along with high

competitiveness, revenue maximization, broad market orientation, domestic market, high level technology. Not entirely, of course; patronage criteria may still be apparent in some areas, although where it can be said to occur is nowadays not so much a product of ideology so much as of market and of broader political and social structures; there still exists evidence of coalition strategies between agencies and home market clients, between large and small agencies and so on, but there is no longer any overt and publically tolerated coalition strategy of the kind that existed, say, in Europe before the First World War. In three of the agencies certainly, the service ethic is no longer quite as much a feature of the organizational self-image as talk of business opportunity and strategy - of revenue maximization in other words, and this is related to a choice in favour of high competition and in favour of a radical view of market possibilites. Nevertheless, the radical view has rarely been sufficient to encourage a dominant reliance on foreign markets, which have generally been subsidiary in terms of revenue and resources.

This system of choices in the interests of commercial viability and stability is of course not immune to change. What are the major possible sources of change? Most important of all is the factor which has always threatened the arrangements thrown up by the leading agencies, and this is the changing shape of the political world in which the agencies operate. In the event of

hostilities between the countries of these agencies or between their countries and any significant part of their total market, then the free flow of news and systems of news exchange are certainly threatened. The continued development and existence of the present set of strategic choices simply reflects the relative cohesion of the major western powers. Another source of change is the development of major political rifts in the domestic markets of the leading agencies. If such rifts should lead to the point of extreme polarization, which is not inconceivable given the pressure of racial and class tensions in a period of prolonged recession, then the credibility of the agencies as sources of news might well be reduced below the point of continued viability. In such circumstances the criteria of objectivity cease to have much meaning or conviction since there is no longer a large enough framework of reference, a common ground of value, by which the population can continue to share a single system of news presentation and selection. In the case of extreme external or internal conflict over a prolonged period, there would almost certainly be a return to the adoption of patronage criteria, strategies of coalition, and restricted market outlook.

The introduction helped explore the role of the agencies in developing and sustaining the very notion and acceptability of 'objective' news reporting. The history and contemporary organization of the agencies, examined in the succeeding chapters, revealed very clearly the fragility

of this concept and its dependence on broader political realities.

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APPENDICES

Appendix 1.

The research on which this report is based occupied the period between June 1971 and the summer of 1975. It involved a comprehensive search of the literature, an interviewing programme, a questionnaire survey, content analysis, and the normal process of interpretation and writing up.

The interview programme had two main stages: the first stage concentrated on the head offices of each of the four agencies in the study; the second stage involved agency bureaux in selected countries across North and South America, Western Europe, Africa, South East Asia, and the Far East. Initial clearance was received from London-based executives in three of the four agencies, and was followed by approaches to high-ranking executives in the head offices.

The choice of interviews, however, of countries, and of topic-areas was the author's alone. It became clear from an early stage that although sources at Head Office were useful in helping the author establish a firm picture of news-processing, and the overall structure of the agencies, it was nevertheless very necessary to visit different countries to obtain any kind of detailed

picture of news-gathering operations away from Head Office. This perhaps was simply because only at this level were respondents close enough to the ground to be sufficiently aware of and interested in the kind of detail that was needed. Such sources were also more up-to-date on certain areas of information, including for example new communications arrangements, the state of agency-client relationships, or the number of stringers.

Apart from initial interviews, the general format was of the semi-structured kind of interview, one which covered the same ground in most cases, but allowed for new lines of inquiry to emerge. The ground covered was comprehensive but particular attention was paid to structural details: for instance, the size and composition of individual bureaux, the kind and regularity of contact with other bureaux, the composition of local clientele. This stress was introduced to avoid an overly journalistic account of the news agencies (that is, one which accepted at face value the occupational self-image of high unpredictability, and its largely intuitive sense of what constitutes 'news').

Underlying the research strategy therefore was a fundamental hypothesis: namely, that the organizational structure of the news-gathering and distribution process, including such factors as ownership and the distribution of clients, would have important consequences for the kinds of news the agencies in fact dealt with. The

evidence supporting this hypothesis is to be found throughout the preceding research report, in Chapter One, for instance, which looks at the significance of the agencies' domestic markets in influencing the distribution of their attention and resources, or Chapter Six, which explores the relationship of the commercial incentive with the prominence of economic news activities.

The stress on structure, which embraces what can be called the 'technology' of an organization, even if it be of a non-industrial kind, was also influenced by the fact that when the study began great changes were underway in the direction of computerization. The fact of these changes occurring when they did helped give the issue greater prominence than it might normally receive, both in the minds of respondents and in the author's. It is the author's belief that this was fortunate for the direction of the research as it did help to expose the underlying routines of communication and of structure generally.

The choice of countries to visit was determined by a number of factors. Visits to those countries in which the agencies had their head offices were essential, given the importance of these as sources of information for the overall running of the agencies and the importance of domestic markets as sources of revenue and control.

The Middle East was selected for the initial set of bureau visits away from the head offices because this

was an especially newsworthy area by prevailing standards, thus attracting heavy coverage facilities and possibly highlighting aspects of agency operation that elsewhere might not be so apparent. The Arab-Israeli conflict offered a situation of limited source access for any given agency bureau, which was also interesting. The region also fell under the general surveillance of the European-African region controlled from London or Paris in the case of three of the agencies. This region was the best known to the author at that time, and access to head offices in these cities was relatively easy.

South East Asia and the Far East were chosen for their newsworthiness (especially Vietnam), the great variety of reporting conditions and media markets (Japan as well as the Philippines for instance) within the same region, and for the fact that as far as an understanding of the structure and operations of the agencies were concerned, the region was relatively unknown in the existing literature.

Choice of the countries visited in Latin America was largely fortuitous in the sense that the author wished to profit from a colleague's visit to that region in connection with another project. While the same was true of the one sub-Saharan African country visited, Kenya, this was a particularly appropriate country to have included in the survey, given that country's role

as a communications centre for international news organizations operating in East Africa. In Europe, West Germany was chosen because of the size and importance of the West German market; Belgium because it also became UPI's European centre in the course of the study; Austria because Vienna acted as the point from which the agencies covered much of Eastern Europe. The author was also able to use data collected from Rome and Bonn during his part of an earlier study.

The interviews from all these countries gave rise to certain more specific hypotheses which the author followed up in two ways: through content analysis and questionnaire survey. The findings of content analysis are presented in Chapter Twelve of the report; the findings of the questionnaire survey can mostly be found in Chapter Ten.

Although the head offices of the agencies had extended their co-operation for much of the interviewing (for visits to individual countries, they were often not consulted), in at least three of the four cases they were very unwilling to give their support to the questionnaire survey, and in at least two cases actively canvassed against it. While it might have been possible to go ahead with the survey after further consultation, it became evident that the extent of changes which these agencies were looking for would have destroyed the original purpose and design of the questionnaire. Although

relatively few questionnaires were returned, those that were provided a great deal of information and points of view that retained their validity regardless of the total number of questionnaires returned, and also greatly extended the total number of countries about which information was now available. The content analysis was able to duplicate some of the lines of inquiry attempted through the questionnaire survey. A special methodological appendix in connection with the content analysis is provided below in Appendix 2. A copy of the questionnaire (which was translated into French for French-speaking respondents) is provided in Appendix 3. Given the overall length of this manuscript, only a selection of relevant tables have been provided in the text. Access to the complete set of content analysis data, Editor and Publisher computations and questionnaires may be arranged on application to the author through the Open University.

Appendix 2: Methodology for Content Analysis (by H. Grayson)

The main reason for analysing the content of agency wires was to assess the comparability of the wires in terms of factors such as the type of news stories carried, the regional origin of stories, the coverage of national or international news and the volume of news output.

In the initial stages of the study volume of output was assessed by estimating the number of words and lines carried on 8 agency wires: 3 Reuters wires, 3 Associated Press wires, 1 Agence France Presse wire and 1 United Press International wire. For each wire every tenth dispatch from the end of the day was counted. The dispatch was defined, in general terms, as a discreet piece of information bearing some form of heading code and conveying some message. This meant that some coded messages were included in the count when they looked as if they conveyed only private information to the client. In subsequent analyses our definition of dispatch was refined to exclude this type of message since it seemed unlikely that they contributed anything to the news-content of the wire.

Included in the count were 'correction' dispatches, 'substitution' dispatches and dispatches showing the schedule for the day. For the word-count itself heading codes and titles were excluded, but all other words, even one-letter words, were counted (for every tenth dispatch).

Abbreviations were counted as one word and sports-score relations (e.g. 2-1) were counted as one word, but scores divided by a stroke were counted as 2 or more words (e.g. 18.0/206.6). This applied also for Stock Exchange reports. However, where a figure was obviously meant to convey a fraction it was counted as only one word. Hyphenated words were counted as one.

The aim in devising these general rules for counting was to achieve a degree of consistency in order that results could be compared. There were cases where it was not easy to decide exactly what should be counted as one word. This happened mainly in coded messages.

The line-count included all those lines containing the previously counted words.

The average number of words and lines per dispatch were estimated from the figures obtained and then multiplied by the total number of dispatches to give the approximate number of words and lines for the complete wire.

However, the researchers have certain reservations about placing too much emphasis on the results of this analysis, particularly where the line-count is concerned. This is because in sports-score dispatches and Stock Exchange dispatches a large number of lines convey a small number of words so that the estimation of the average number of lines per dispatch is not very meaningful in terms of

actual volume of information carried. The word-count is more useful in this respect but the difficulties of defining a word and the inclusion of coded messages have already been mentioned. For these reasons, and because the researchers were more interested in content and origin of output than volume of output, this type of analysis was not used in subsequent classifications.

The main part of the content-analysis began with a pilot study of 3 Reuters wires issued on one day. This study enabled us to test the categories which we had drawn up and to refine them for the final analysis which was carried out on AFP and UPI UK wires issued over 3 consecutive days and Reuters EUS and SAF and AP European and African issued over 5 consecutive days.

During the pilot-study data-sheets were used for coding information in order to facilitate later calculations. The final data-sheets differed quite considerably from the pilot-study sheets. This was because it took us some time to arrive at what we considered to be an adequate classification of story-categories. The categories used in the final analysis (political, economic etc.) can be seen below, where an attempt is also made to indicate the types of stories that were placed under the broad headings 'political', 'economic' etc. The researchers recognise that there will be some argument as to whether one is justified in placing stories under such broad labels and that there will also be some

criticism over the subjectivity of classifying stories. But, to compensate in some measure for these factors, the researchers have aimed at being as consistent as possible in making decisions about the placing of different stories.

For the pilot-study each dispatch was classified in terms of its dateline and content, and some additional information was also noted on the data-sheets: the dispatch was indexed as to whether it referred to an on-going story, whether it was national or international, whether it corrected or duplicated a previous dispatch and whether a similar dispatch appeared on all 3 of the wires or on only 1 or 2. The latter was possible for the pilot-study because all 3 wires were Reuters wires and if a dispatch was carried on more than one wire it was easily recognisable as it had identical wording. However, this classification was not possible in the later analysis when two different agencies were being compared. Here, wording was no longer identical and so it was decided to look for similarity in story and to record this only once for each story rather than once for each dispatch. In this way, the category became 'stories appearing on more than one wire' rather than 'dispatches appearing on more than one wire'.

The terms 'dispatches', 'stories', 'national and international' are fundamental to an understanding of the methodology of the content-analysis and so it seems appropriate to define them here as they were used in the

pilot and final studies.

As previously noted, the definition of 'dispatch' was altered slightly after the original word-counts. Basically it remained the same: a discreet piece of information bearing some form of heading code, but now messages which could not be deciphered by the lay reader were ignored. In fact, such coded messages account for a very small number of the total number of dispatches on a wire. The main problem encountered with the classification of dispatches was when they should be considered to be corrections or repeats. This was easy when the agency entitled them 'correction' or 'repeat' but unfortunately this does not always happen particularly, it would seem, when there has been a break in the transmission of information to or from some part of the world. This is generally followed by the reappearance on the wire of quite a number of dispatches; the problem is in recognising when it happens since one is relying on memory. There was also some difficulty in making the distinction between a correction and the updating of a previous dispatch. For this reason, in the final stages of our analysis a dispatch was only noted down as being a correction or a repeat if it was specifically indicated to be such. The numbers of corrections and repeats are comparatively small and any errors in the recording of this category have been minimised as far as possible by including <u>all</u> dispatches in the total of dispatches which has been used in calculations.

The definition of a 'story' was arrived at early in the analysis and as it was found to work with reasonable success in the pilot-study there was little need for refinement. This is not to say that it was entirely without problems. For our purposes, a 'story' might consist of one or more dispatches but its distinctive feature is that it has one easily identifiable theme. So, for example, a number of dispatches carrying discussion of the French presidential election would constitute one story. Stories were looked at in single day units; that is, the classification was not carried over from one day to the next. Each story was given a number which was recorded in the first column of the data-sheet and any dispatch referring to that story received the same number. The numbers given to the stories were consecutive commencing ` 1 so that one could easily see, on completion of the data-sheet, that the largest number also represented the total number of different stories carried on the wire for that day.

On the whole, the 'story' definition has been easy to apply, especially where a specific incident was reported over only a small number of dispatches. But where a subject had many subdivisions and was discussed at length over many dispatches it became problematic as to whether it would not be better regarded as several stories. This can be illustrated by an example from the 5-day analysis of the Reuters and AP wires when the Cyprus conflict was an on-going topic. It will be appreciated that not every

dispatch about Cyprus concerned itself with fighting: some discussed political aspects, some the problem of refugees and so on. It would have made nonsense of the story-type classification to place all the dispatches in the political violence category and it was therefore decided to divide the topic into its component parts thus classifying it as a number of different stories with specific themes such as 'violence', 'American policy towards Cyprus', 'refugees' and 'the supply of aid'.

Another point that should be mentioned about our definition of stories is that where a particular sport is reported on it has been treated as one story throughout the wire, though dispatches might refer to different games and matches. This is in keeping with our definition 'one theme'. The same principle applies to reports about the Stock Exchange.

We have already mentioned the change of emphasis after the pilot-study from the classification of 'dispatches appearing on more than one wire' to that of 'stories appearing on more than one wire'. It must be recognised of this category that what we were really counting was whether stories on different wires concerned themselves with the same subject. We were not intending to indicate the different angles taken on that subject by each agency nor whether one agency provided more information than another.

Where difficulties arose with this category the usual

policy was to extract the general story-line (e.g. conflict in Vietnam or Nixon's part in the Watergate cover-up) and then, on that basis, to decide whether the different agencies had put out stories referring to that topic. We do not feel that too great an emphasis need be placed on the difficulty encountered in this part of the classification because probably the majority of corresponding stories on different wires are easily identifiable: stories about, for example, the Paris elections, or a plane-crash in Indonesia or Kennedy visiting Moscow. However, there is a factor affecting the reliability of this part of the classification which is that the recognition of similar stories depends, to a large extent on memory, i.e. one recognises that a story is the same by the fact that one remembers seeing it on another wire before. In the 5-day analysis this factor was eliminated as far as possible by keeping a record of the story-themes and referring back to them when classifying another wire.

Finally, some explanation is needed of the 'national, international' category. Individual dispatches rather than stories were classified in this category. A 'national' dispatch was defined as one that referred only to its country of origin: where one or more different countries were also directly referred to in a dispatch this was classified as 'international'. In practice the distinction was not always easy to apply; for example, it was not clear how much Stock Exchange news might be considered 'international' rather than 'national, or

indeed, whether a dispatch should really be classified as international when the mention of another country is not of primary importance to the story-theme. Once again, our aim was to be consistent in our decisions and, in the final analysis, the only departure from our original definition was that where, in a dispatch, the mention of another country was considered of very little significance to the story-line, only then was the dispatch treated as though no mention had been made of a second country. In cases where the researchers were undecided about the classification of a dispatch it was placed in a mixed 'national/international' category. A story might very well be classified in this mixed 'national/international' category by virtue of the fact that different dispatches contributing to the story had been individually placed in national and international categories.

Content Analysis
Content Categories

a) Story Type

1. Politics
2. International violent political conflict
3. Intranation violent political conflict
4. Economics
5. Industry
6. Labour relations
7. Science and Technology
8. Social/welfare/education
9. Race
10. Business and Political Crime
11. Crime/Legal
12. Sport
13. Tragedy/Disaster
14. Religion/Church
15. Cultural
16. Human Interest
17. Other

b) National/International

N = national
I = international
N/I= national/international

c) Appears in Other Wire

R1 = Reuters S. African
R2 = Reuters S. European
R3 = Reuters UK
AP1= Associated Press African Wire
AP2= Associated Press European Wire
AP3= Associated Press Paris Wire
UPI= United Press International UK Wire
AFP= Agence France Presse UK Wire

Category Definitions

Politics

Elections
Activities of ruling group
Activities of opposition group
Mass-action, non-violent
Political actors meet/travel
Statements on international relations
International organisations
International security/defence
Nuclear Disarmament talks

Internation Violent Political Conflict

War
Violent clashes involving more than one country
Violent political demonstrations involving people of more than one specified nation (Guerilla Warfare)

Intranation Violent Political Conflict

War
Guerilla Warfare (on a national basis)
Violent political demonstrations

Economics

Trade talks
Balance of payments
Export markets/figures
Import markets/figures
International organisation
Performance
Statements on trade disputes
Investment news
Development projects
Financing developments
State of economy
Control of economy
Organisation of economy
Talks on economy
Currency
Cost of living index

Industry

Structure of Industry

State of Industry

Labour relations

Strikes

Industrial relations

Industrial conflict

Science & Technology

Developments

Social/Welfare/Education

Welfare/social conditions

Change in educational system

School education

Further education

New facilities

Race

Apartheid/discrimination

Race relations

Race riots

Legislation

Business & Political crime

Unethical behavious which specifically involves the judiciary

Crime/Legal

Judicial proceedings

Crime - property, violence etc.

Police

Prisons/Punishment

Sport

Reports of sporting events

Tragedy/Disaster

Natural

Transport

Religion/Church

Religious Organisations

Festivals/religious events

Pronouncements on Church doctrine

Cultural

Arts

Visits of foreign artistic teams

Human Interest

Stories about celebrities

Stories about sports personalities

Stories about political figures, (when not presented from a political angle)

Humorous

Information (e.g. 'clocks forward')

Other

Miscellaneous

Appendix 3

The Questionnaire distributed to bureau chiefs, as described in Chapter 10: -

Location of Bureau.....Date....

Q1 Number of Countries Covered

For how many countries and territories is your bureau the principal news-gathering centre in your agency's network? Please say which countries and territories these are:-

Q2 Bureau Size

(a) How many people are employed full-time by your bureau, including all categories of personnel, within the area for which the bureau is the principal centre?

No. of full-time staff:.....persons

(b) Of the full-time staff (including yourself), how many are journalists (i.e. staff who spend all, or nearly all, of their time directly engaged in news-gathering or news-processing)?

No. of journalists:.....persons

(c) Of the full-time journalist staff, how many are specialists (i.e. journalists who spend at least half of their working time covering only certain kinds of news)?

No. of specialists: (i) photographers ...
(ii) economic news specialists ...
(iii) sports journalists..
(iv) political news specialists ...
(v) Other (please specify) (.....)

(d) How many stringers are employed by your bureau? Are these stringers paid a retainer?

No. of stringers: ..... (i) paid a retainer

..... (ii) not paid a retainer

(e) Of all the full-time staff employed by your bureau within the area for which it is the centre, how many are actually based outside the country of the bureau, but within the area it covers? (If the bureau is a centre for only one country, please tick (✓) the space below and pass on to the next question).

Bureau is centre for only one country .....

No. of full-time staff based outside bureau country..

No. of journalists based outside bureau country ...

No. of specialists based outside bureau country ...

No. of stringers based outside bureau country ...

Q3 Nationalities

What are the nationalities of the staff employed by your bureau? Please indicate (N) in the appropriate space below how many journalist and non-journalist staff are nationals of the countries listed in the left-hand column

	Full-Time Journalists	Stringers.	Non-Journalists
American			
British			
French			
Canadian			
Australian			
Nationals of countries for which the bureau is a centre			
None of the above (please specify)			

Q4 At the Desk

What percentage of your time during the average working day is spent actually in the bureau, and what percentage is spent outside it - interviewing, meeting clients etc? Please assess the percentage on the basis of your last full working week, giving the date of the first day of that week.

% of time spent in office per average day ...%

% of time spent outside ...%

Date of first day of the week on which average is based

.....day.....month.....year

(b) Work Activities

Which kinds of activity are the most time-consuming during the average working week? Please indicate below the approximate percentage of your time taken up with the following kinds of activity, basing your answer on your last full working week.

Bureau administration	....%
News-gathering/processing	....%
Sales/Talking to clients	....%
Dealing with technical communications problems	....%
Other (please specify) (.....)	....%

Date of first day of week on which average is based

.....

(c) News-gathering/processing

Which news-gathering/processing activities are the most time-consuming during the average working week? Please indicate approximately how many hours you might expect to consume on each of the activities listed on the left-hand column, basing your answer on your last full working week. Please tick (✓) the appropriate spaces below.

	Two hours or less	3-6 hours	7-10 hours	11+ hours
Writing news stories				
Writing features				
Editing/filing copy				
News-gathering by 'phone				
Reading press				
Monitoring radio/TV/local agencies				
Planning future news coverage				
Face-to-face interviewing				
Press conferences/ briefings etc.				
Talking to other journalists				
Sociable occasions with sources etc.				
Other (please specify)				

(Date of first day of week on which answer is based: .....day.....month.....year)

(d) Travel

In the course of your work do you travel outside of the city in which your bureau is based, either to provincial districts or to other countries in your area of coverage? How many days did you spend away from your bureau in the period July to December 1973 inclusive? (If you joined the bureau during or since that period, please tick the space below and then base your answer on the period from the date of joining the bureau to the date of completing this questionnaire)

(Joined the bureau after July 1973.....)

Travel outside city, within same country: ....days

Travel out of the country but within the bureau's area of coverage: ....days

Travel outside of the countries covered by the bureau: ....days

Q5 Reporting the News

(a) News Selection

To what extent does personal assessment influence the decision to gather and file certain stories and not others in your bureau? And to what extent is this decision determined by factors over which there is no scope for personal control, such as the character of the news story itself, available wire space and so on? Please indicate with a (√) the statement below with which you most agree:

News selection is nearly always outside my control ....

News selection is often determined by factors outside my control ....

News selection is infrequently determined by factors outside my control ....

News selection is only very rarely determined by factors outside my control ....

(b) Freedom to report

Would you say that you had more or less freedom to report whatever you consider to be newsworthy than either local journalists of the country or countries you cover, or non-agency foreign correspondents based in this country or countries? Please circle as appropriate:

I have more/same/less freedom to report what I consider newsworthy than local journalists based in the capital city or cities of the country or countries I cover.

I have more/same/less freedom to report whatever I consider newsworthy than other (non-agency) foreign correspondents.

(c) News Sources

What would you say were the most important initial sources of the news items prepared by your bureau for the out-going wire? Please indicate with a tick (✓) the approximate percentage of stories which originate from each of the following kinds of source, basing your assessment on your last full working week.

Sources	0-10	11-20	21-30	31-40	41-50	51-60	61-70
Radio/TV media of country/ countries covered							
Press media of country/countries covered							
Competing international news agencies							
Unsolicited approach to individuals/ organizations							
Solicited information from individuals /organizations							
Other (please specify)							

(d) Most Important Sources

What kinds of sources do you consider to be most important in your area of coverage? Please list the five most important sources in the space below (e.g. particular ministries, organizations, spokesmen etc.)

Comments

(e) Sanctions

Have you ever experienced any sanctions, threates or intimidation from important sources or source organizations in your experience at this bureau? Please tick (✓) as appropriate.

Sanctions	Never	A Few Times	Often	Frequent
Expulsion				
Threatened Expulsion				
Refused all access to official sources				
Imprisoned				
Forbidden to file				
Allowed to file only after vetting by censor, even when there are no general restrictions on foreign newsmen				
Informally 'warned'				
Physical intimidation				

(f) Advance Coverage

In what percentage of cases is the coverage of a news event planned or prepared in advance of its occurrence? Please assess the average percentage of complete stories covered a week which are prepared for in advance, basing your answer on the last full working week:

News-coverage prepared within a day of the news event's occurrence ....%

News-coverage prepared more than a day in advance of the news event's occurrence ....%

No advance preparation ....%

Q6 Choice of News Items

(a) What is News?

Here are a number of constructed 'events'. Please give each event a score from 0-10 points to indicate the likelihood of the event being covered and filed on the out-going wire. A high score indicates that the event will very probably be reported and filed; a low score indicates that the event will probably not be reported and filed. Please give two scores for each event: one for a peak period of activity in the bureau; the other for a non-peak period. Unless otherwise stated, please imagine that these stories refer to the country or countries covered by your bureau.

Story	Peak Period Score	Non-Peak Score
No.1: City authorities of capital city announce extensive re-development scheme, first of its kind in the country	..... (out of 10)	..... (out of 10)
No.2: Annual financial statement of large corporation in nation's major industry, shows serious losses.	..... (out of 10)	..... (out of 10)

Story	Peak Score	Non-Peak Score
No.3: Leading opposition spokesman makes major speech attacking president/prime minister for current government economic policy	..... (out of 10)	..... (out of 10)
No.4: Provincial authorities of remote province announce major new industrial drive	..... (out of 10)	..... (out of 10)
No.5: Known local criminal gang rob nationally-owned bank of a million dollars	..... (out of 10)	..... (out of 10)
No.6: National team wins place in final round of international football cup	..... (out of 10)	..... (out of 10)
No.7: Prestige daily reports corruption charges against Minister of Agriculture	..... (out of 10)	..... (out of 10)
No.8: Senior executive of large foreign-owned company kidnapped by guerillas	..... (out of 10)	..... (out of 10)
No.9: Leading opposition spokesman makes major speech attacking president/prime minister for current government foreign policy concerning neighbouring country	..... (of 10)	..... (out of 10)
No.10: Student magazine at nation's most prestigious university reports allegations of serious misconduct by top police official	..... (out of 10)	..... (out of 10)
No.11: Team of medical scientists at leading university claim major new findings in field of radiology with important implications for cancer cure	..... (out of 10)	..... (out of 10)
No.12: Total strike at major plant of large foreign owned company	..... (out of 10)	..... (out of 10)

(b) Which of the following stories would you <u>not</u> file? Please circle 'report' or 'not report' as appropriate.

(i) Monarch/prime minister arrives drunk at annual celebration function and incapable of delivering his speech. Report/Not Report

(ii) Wide-scale torture of political dissidents by army and police -talked about in opposition circles, and confirmed from meetings with victims. Report/Not Report

(iii) Detailed leak of closely-guarded secret deal to buy new missiles from major power. Report/Not Report

(iv) Outbreak of factionalism in ruling party threatens position of chief executive. Report/Not Report.

<u>Comments</u>

Is there any other kind of story which you might <u>not</u> file from your area because it was too 'sensitive'?

(c) <u>Editorial Control</u>

Which of the following would you say exercised the most influential editorial control over news items prepared for the out-going wire? Please tick (✓) against the person or desk you feel has the most influence.

The bureau chief .....

The desk of the regional bureau .....

The desk at head office .....

The desks of those bureaux to whom news is sent from the regional bureau or head office .....

Other (please specify) .....

Q7 News Output

(a) On the average weekday, what is the total number of words transmitted from your bureau? (Please assess the average on the basis of the last working week)

Total No. of words .....per weekday

(b) Of this total, about what proportion is taken up by spot-news stories, and about what proportion by feature and/or interpretive material?

Proportion of total accounted for by spot news: .....%

Proportion of total accounted for by feature/interpretive material:.....%

(c) Of the total number of words in the last working week, about what proportion was news of international events, in your estimation, (i.e. directly pertaining to two or more countries), and what proportion was news of national affairs (i.e. news pertaining directly to just one country or territory).

Proportion of total accounted for by international news: .....%

Proportion of total accounted for by national news: .....%

(d) In your estimation what kinds of news from the area you cover are the most important in terms of the amount of 'wire-space' out of your bureau that they consume? Please rank the following categories in order of their importance, placing the number 1 after the most important, the number 2 after the next most important etc. Please base your answer on the last full week.

1. <u>International</u>:	political (non violent)	...
2. (Directly	political (violent)	...
3. pertaining	economic	
4. to more than	natural calamity	...
5. one country)	crime	...
6.	sport	...
7.	human interest	...
8. <u>National</u>	political (non violent)	...
9. (Directly	political (violent)	...
10. pertaining	economic	...
11. to only	natural calamity	...
12. one country	crime	...
13. or	sport	...
14. territory)	human interest	...

(e) <u>News Interest</u>

Is the news which your bureau gathers of interest primarily to clients throughout the world, to local clients, or to clients in some other specific area? Please rank these types of interest in order of their importance in terms of the amount of 'wire-space' out of your bureau which they consume, placing the number 1 after the most important etc. Please base your answer on the last full week.

Of world-wide interest, primarily: ...

Of interest to local clients within area covered by bureau ...

Of interest to some other specific area (please specify.....) ...

(Date of first day of week on which answers to Q7 a,b,c,d and e were based: .....day.....month.....

Q8. Competition

In your estimation which other news agencies or news services are you most in competition with (i) for clients in your area; (ii) for clients throughout the world who want news of the area you cover. Please name upto three competitors for each kind of competition.

Most important competition for clients in your area:

(i).....
(ii).....
(iii).....

Most important competition for clients throughout the world wanting news of your area:

(i).....
(ii).....
(iii).....

Q9 Clients

(a) How many clients take your agency's services in this country?

(b) How many clients are there outside of this country but within the area for which your bureau is a centre?

(c) Of the total number of clients in your area, how many are there of each of the following categories?

Newspapers: No.....
Radio/TV organizations: No.....
News agencies, both government-owned and others: No.
Ministries/departments of government(s) of your area: No.....
Embassies of foreign governments: No.....
Foreign-owned commercial/financial organizations: No
Other (please specify): No:.....

(d) What is the relative importance of these categories of clients in terms of the amount of revenue your agency receives from them? Please rank them in accordance with their revenue importance in the last full financial year, placing the number 1 after the most important, the number 2 after the next most important etc....

	Rank
1. Newspapers	....
2. Radio/TV organizations	....
3. News agencies, both government owned and others	....
4. Ministries/departments of government(s) of your area	....
5. Embassies of foreign governments	....
6. Foreign-owned commercial/ financial organizations	....
7. Locally-owned commercial/ financial organizations	....
8. Other (please specify)	....

(e) Which different <u>services</u> does your agency offer to these clients? Please rank these services (i) in the order of their revenue importance in your area and (ii) in order of their popularity, that is, the number of clients who take them

<u>Services in order of revenue importance</u>	<u>Services in order of no. of clients</u>
1.....	1.....
2.....	2.....
3.....	3.....

Q10 About Yourself

(a) How long have you worked for this news agency?
.....years.

(b) For whom did you work before you joined this agency? (Please state name of company/media organization and give brief description of the type or kind of organization it was/is)
.....
.....

(c) Have you worked for any other news agency in the course of your career? Please circle: Yes/No

If 'Yes' to above, which other agency or agencies have you worked for?

(d) What was your first regular job in journalism? Who did you work for then?
.....
.....

(e) How old were you when you first entered regular journalism?
.....years

(f) What was the year of your birth?
.....

(g) What is your nationality?
.....

(h) In which country and in which city were you born?
.....country.....city

(i) What was the occupation of your father when you were twenty years old?
Father's occupation.....

(j) Which school, college or university did you last attend in the course of your full-time education?

.....

(k) Do you have a degree(s). Please circle: Yes/No. If 'Yes' to above, what is/are the subject(s) of your degree(s)?

.....

(l) What is your marital status?

.....

(m) How long have you been based in your present bureau?

.....years.....months

(n) For how long have you been bureau chief of this bureau?

.....years.....months

(o) What are your approximate total earnings from your agency a year? Please place a tick (✓) against the earnings range which most closely approximates to your salary:

Pounds	Francs	Dollars
2,000-3,999	40,000-59,999	6,000-8,999
4,000-5,999	60,000-79,999	9,000-11,999
6,000-7,999	80,000-99,999	12,000-14,999
8,000-9,999	100,000-119,999	15,000-17,999
10,000-11,999	120,000-139,999	18,000-20,999
12,000+	140,000+	21,000-23,999
		24,000+

(p) What, in your opinion, is the proper <u>role</u> of the bureau chief in your bureau; which functions, responsibilities etc., are peculiar to his position?

.....

.....

.....

.....

.....

.....

.....

.....

COMMENTS

Is there anything about agency work and operations in your area which has not been covered here, and which you feel is important, that you would like to mention? Please append further pages if you wish. If you have had a particularly revealing experience in handling a recent story, I would very much welcome a copy of the story, together with any comments you may care to make.

APPENDIX 4: Bibliography

The bibliography on the following pages is intended as a broad topic guide to the literature about, or closely relevant to, the global, international and national news agencies. It includes only references that have been used as sources for this study. While it was not always clear that a particular source belonged in one rather than another of the topic categories, elaborate cross-referencing has been avoided. The final choice of category location in ambiguous cases reflects the author's assessment of the particular usefulness of each case with respect to the different categories. An alternative division of interest within the field is, of course, provided by the structure of this thesis, and by the bibliographies to be found at the end of each chapter.

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CJR	Columbia Journalism Review
JQ	Journalism Quarterly
POQ	Public Opinion Quarterly

Final Notes

1.(p53) However the Conseil Superieur is said not to have ever been convened. The possibility of its being convened may still be a pressure. Moreoever even without such a body there are suspicions of occasional government interference: e.g. Hubert Beuve-Monde resigned from the board in 1978 in protest against alleged interference by the Communications Minister in attempting to secure the election of AFP's new managing director, Robert Bouzinac.

2.(p97) Of four analyses of AP's U.S. trunk wire known to the author, two suggest a quarter is given to foreign news (Hester,1971-24.7%)(Cutlip,1954-22.4%) but the other two suggest a third (Adams,1964-36%)(Hester,1974-33.9%). Only Hester (1971) discusses the 'B' wire. For references cf. pp.941-2,948.

3.(pp.99,313,588,598) The picture of relatively low AP regionalization of services recorded here for 1973-4 may simply have been prelude to computerization of the international services from 1974, and computer-coding of region-specific stories from New York. Main point of contrast is the degree of editorial centralization. UPI seemed to further decentralize in this respect when it extended its information storage and retrieval system to London in 1978 so that London editors could select for the Europe/MedAf region stories from Asia and America, whereas before this selection had mainly occurred in New York. Of course AP still has greater direct distribution and provides more translated services than the other agencies and this may increase inputs at national levels. But the pressure of translation tends to reduce volume and this may increase emphasis on stories of general world interest. There were signs in 1978 of a reduction in number of the translated services, although when AP hands over translation to a national agency the agency chosen is sometimes not the principal national agency. One possible reason is so that AP will not have to compete for space with the other global agencies: it looks for agencies which will depend solely on AP for international news.

4.(pp183,186) The table on p.183 and the client figures on p.186 refer only to daily newspaper clients; supplementaries often have other more sizable outlets. Indirect links between the major agencies and the supplementaries have been increasing with the use by supplementaries of high-speed copy transmission facilities offered by AP and UPI. Note also that NANA and UFS are also in the Scripps-Howard group. UFS and NEA were amalgamated in 1978 to form United Media Enterprises Inc., though retaining separate identities, and also including NANA and other smaller agencies.

5.(p421) The term 'datastream' is here used to denote high-speed transmission and is borrowed from AP's logo 'Datastream' and UPI's similar 'DataNews'. AP had 226 datastream clients in 1977 for general news and 31 for 'Datafeatures'.

6.(p422) The term 'wirephoto' has been adopted here from AP's original logo, 'AP Wirephoto', simply to denote transmission of photos by the 'wire services'. In fact this incorporates transmission by cable, radio and satellite.

7.(p488) Mention has been made elsewhere in the thesis that the agencies also serve CATV stations with general news, economic news and newspictures. In 1977 AP had 247 CATV clients, and UPI reported 275. UPI's lead in broadcast services is also reflected in audio services where in 1977 AP-Radio went to 537 stations and UPI Audio went to 900 stations. Total radio/tv stations served by AP in the same year was 3,487 against UPI's higher 3,650. This is an interesting contrast with UPI's position in the daily newspaper field in the U.S., and reflects UP's earlier involvement with radio and its involvement in UPITN. (Client figures above are for domestic U.S. market).